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THESIS

THE FUTURE OF THE
MEXICAN POLITICAL SYSTEM

by

Bryan Craig Kelley

March 1989

Thesis Advisor:

Thomas Bruneau

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by

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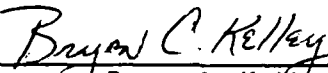
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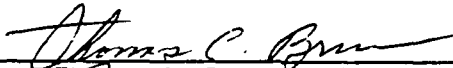
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ABSTRACT

This thesis is an assessment of the viability and sustainability of the Mexican corporatist political system instituted in 1929. What is the future of Mexican politics over the next 20 years? Since 1929, this system of government has been the most stable in Latin America. There have been no presidential assassinations, no military coups, and no early departures from office: all the above being accomplished with a judicious blend of repression and co-optation. However, there are signs that the flexibility of this system is no longer sufficient to maintain government in its current form. Through a look at the causes of the 1911 revolution, the resulting political structure, the current problems, and the attempts at reform, what becomes apparent is that some type of change seems almost unavoidable. Just what this change might be, to include the timing and form of said change, is the focus of this thesis.



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I. INTRODUCTION

This thesis is an assessment of the viability and sustainability of the Mexican corporatist political system instituted in 1929. What is the future of Mexican politics over the next 20 years? Since 1929, this system of government has been the most stable in Latin America. There have been no presidential assassinations, no military coups, and no early departures from office: all the above being accomplished with a judicious blend of repression and co-optation. However, there are signs that the flexibility of this system is no longer sufficient to maintain government in its current form. Through a look at the causes of the 1911 revolution, the resulting political structure, the current problems, and the attempts at reform, what becomes apparent is that some type of change seems almost unavoidable. Just what this change might be, to include the timing and form of said change, is the focus of this thesis.

A. THE MEXICAN REVOLUTION: ANTECEDENTS AND AFTERMATH

The Mexican revolution did not begin as a spontaneous uprising of campesinos against either a repressive authoritarian regime or the regional caudillos and landowners who took advantage of these peasants; it originated within the ruling elite. Even though hundreds of thousands of workers and peasants eventually mobilized, most of the revolutionary leadership came from middle and upper-class Mexicans with dreams still unfulfilled after 35 years of increasingly heavy-handed rule by the aging dictator, Porfirio Diaz.

1. Stability of the Diaz Regime

The stability of the Diaz regime depended on agreements worked out with the different power groups of the time; Diaz struck deals with regional strongmen, the church, and foreign investors. The policies of Diaz, positivism, liberalism, and social Darwinism, created in Mexico one of the most significant economic growth rates in the world between 1890 and 1910. These policies also widened the gap between the haves and the have-nots; one percent of the population owned 85 percent of the land. By 1910, there were a number of different interest groups with their own unique demands. Regional caudillos, the church, foreigners, Indians, middle class, landowners, military, labor, and peasant groups all wanted to partake of the fruits of Mexico's growth. Diaz did not feel it necessary to cater to the majority of these groups, especially the middle class, and this ultimately resulted in his downfall.

The attitudes and policies of any regime are shaped by three elements: the ruling, accepting, and opposition groups (Chalmers, 1986, 394). The ruling group includes those currently in power. The opposition groups include those who would change the current policy direction. But perhaps the most important element shaping current government actions is the accepting groups. This body supports the ruling elites because of derived benefits or lack of a better choice. Often consisting principally of the middle class, it includes professionals, managers, and otherwise highly skilled workers. To remain in control, political elites must satisfy the wants of this group. Diaz did not cater to this group and thus unfulfilled desires of the middle class fueled the revolution.

2. Liberalism and the New Elite

This middle class of the Diaz regime saw its opportunities for future economic and political power taken away by the closed group of advisors and friends surrounding the president. A revolutionary core of middle and upper class committed themselves to a liberalization of the political system with the aim of creating new opportunities within the existing dynamic, free market economy. This reformist elite did not want to abolish the established economic or political system, but rather make it work for them instead of foreign entrepreneurs encouraged to invest during the Diaz regime. (Cornelius and Craig, 1984, pp. 416-417)

Heavily controlled previously, in 1908 Diaz told a U.S. Journalist, John Creelman, that opposition groups would now be tolerated and that he would be stepping down at the end of his term in 1910.

No matter what my friends and supporters say, I retire when my presidential term of office ends, and I shall not serve again. I shall be eighty years old then. I have waited patiently for the day when the people of the Mexican Republic should be prepared to choose and change their government at every election without danger of armed revolution and without injury to the national credit or interference with the national progress. I believe that day has come. I welcome an opposition party in the Mexican Republic.

(Meyer and Sherman, 1987. pp. 491-492)

However it became apparent Diaz was only trying to appease Washington and tell political leaders in the United States what they wanted to hear. When the aging dictator decided to remain in office after the 1910 elections, elements of the middle class reacted.

Francisco I. Madero, wealthy and idealistic, proposed a change in leadership and offered himself as a candidate for the leadership of Mexico. In April, 1910, the Anti-Reeleccionista Party nominated Madero as its presidential candidate; his popularity was so great that Diaz had

him put in jail until after the elections in July of that year. Protests by Madero in November, 1910, fomented unrest in the countryside and caudillos like Pascual Orozco and Francisco (Pancho) Villa took over border towns and fought with government forces. With federal troops defecting to the rebel cause and opposition groups becoming active in the capital and surrounding towns, Diaz stepped down and Madero grabbed hold of the reins of government. The revolution had begun; the Mexican political system was to undergo dramatic and radical change.

In order to institutionalize the revolutionary ideology of the early 1900's, the new ruling elite weaved these ideals into a 1917 revision of the 1857 constitution. During ratification of this new constitution, convention delegates favoring a strong central government prevailed over those who were afraid a concentration of power would produce another Diaz-type government. The former argued centralism was necessary to allow the government sufficient control over economic policy to enable it to compete effectively with the church and private banks. Since the constitution of 1917, the concentration of decision-making power at the federal level has been strengthened; the resulting system ensured Mexico's political stability for 60 years. (Cornelius and Craig, 1984, 425)

3. Origins of the One-Party System

The revolution did not eliminate the large landowners of the Porfiriato; they still controlled extensive tracts of property and other forms of wealth in many parts of the country. This helps to explain why, despite the massive bloodletting and destruction of the political and military institutions of the Porfirian regime, the Mexican revolution

brought about so little in the way of structural reforms that redistributed wealth and restructured society.

The Mexican Revolution did not produce (1) a system derived from the restructuring of class relations, (2) the destruction of the class system, or (3) the development of a new belief system. It was a reorganization of elite interests; this elite accepted the state as both the catalyst for profit generation and the developer and guarantor of an infrastructure for the control of society. The ruling elites tried to legitimize this new political model on the basis of a loosely connected set of goals or symbols, ostensibly born during the revolution, none of which conflicted with the essential interests of elites, in particular, the hegemony of the dominant class. (Gentleman, 1987, 4) The varying interests among the victors of the 1910 revolution produced 13 years of violence. During the 1920s, the central government under presidents Alvaro Obregon and Plutarco Calles set about to eliminate the most powerful and independent-minded regional caudillos by co-opting local leaders within the caudillos' territory. These local political power brokers became, in effect, extensions of the regime, supporting its policies and maintaining control over the population. By the end of the 1920s, regional caudillos with genuine popular followings like Emiliano Zapata, who recruited Indian laborers from the sugar plantations in southern Mexico and Pancho Villa, who defied authority in the Chihuahua countryside, had been assassinated; control had been seized by a post-revolutionary elite whose goal was demobilization of the masses and establishment of the primacy of the central government. Before this

demobilization could take place, General Alvaro Obregon, Mexico's president-elect, was assassinated in 1928.

The assassination of Obregon disrupted the presidential succession and raised the threat of all-out civil war among the "revolutionaries" who had produced the constitution of 1917 with its progressive goals designed to lead the country from economic stagnation, backwardness, and political instability. The intense hostility between the Agrarista Party, principal supporters of Obregon, and the groups supporting the outgoing President, Plutarco Calles, made it necessary to find some new solution. Calles introduced the idea of an inclusive single party incorporating all revolutionary groups and providing established procedures so that all factions could work together to make decisions involving succession to office at all levels (Padgett, 1966, 48).

Calles established the Partido Nacional Revolucionario (PNR) and proclaimed that the military, liberals and conservatives, intellectuals, peasant and elite alike of the other 400 political groups functioning at that time in Mexico were instantly members of various interest factions in this all-powerful party. Between 1934 and 1940, President Lázaro Cárdenas formalized the different sectors of the party by forming the Confederación Nacional Campesina (CNC), and the Confederación de Trabajadores de México (CTM). Cárdenas also instituted formation of a white-collar sector, the Confederación Nacional de Organizaciones Populares (CNOP). The military, then a powerful interest group, was allowed to participate in government planning and decisions. By 1938, the one-party system had four groups: labor, peasant, white-collar, and

military. Cardenas changed the party name to the Partido Revolucionario Mexicano (PRM) in 1938 and President Miguel Aleman changed it to the Partido Revolucionario Institucional (PRI) in 1946. After 1946, while the power of the other sectors remained strong, the military group gradually began to weaken. Along with a reduction in the military budget, the 1940's and 1950's brought a gradual reduction in the influence of the armed forces. Once almost omnipotent, the military general in Mexico increasingly played a minor role in relation to, and in response to, the political arena (Riding, 1984, pp. 73-78). This lessening of importance obviated the need for a special sector to represent the interests of the men in uniform. Because of this, the military sector disappeared altogether.

Coinciding with the development of a strong one-party system was a strong and vigorous economy. The Gross Domestic Product (GDP) of Mexico was expanding at one of the fastest rates in the world; the average growth rate was six percent between the 1940's and mid 1960's. (Levy, 1983, 127) The regime fueled expansion by channeling profits to business elites through wage controls and price increases within an economic strategy called Import Substituting Industrialization (ISI).

4. Import Substituting Industrialization

ISI as a strategy aims to reduce or eliminate imports of a certain commodity, replacing them by domestic production. It places increasing emphasis, through investment, on industry: often to the neglect of agriculture. Public sector investment in industry skyrocketed between 1941 and 1980 in Mexico while the percentage earmarked for agriculture was only modestly improved. This is reflected in a drop in

agriculture's contribution to total production from 21 percent to 11 percent. Industry's contribution jumped from 25 percent to 34 percent (Levy, 1983, 129).

TABLE 1: RATES OF GROWTH 1940-1975 GNP, AGRICULTURE AND INDUSTRY

Period	Agriculture	Industry	GDP
1940-1950	8.2	n/a	n/a
1950-1960	4.3	6.5	5.7
1960-1965	4.6	8.6	7.1
1965-1970	2.7	8.9	6.9
1970-1974	1.7	6.3	5.5

(Graham, 1984, pp. 19-37)

Additionally, only 39 percent of the work force was employed in agriculture in 1970 as compared to 67 percent in 1940.

TABLE 2: PERCENTAGE DISTRIBUTION OF NATIONAL LABOR FORCE

Period	Agriculture	Industry
1950	57.8	15.8
1960	54.2	18.9
1970	39.4	25.1

(Graham, 1984, 21)

The phenomenal growth rate and minimal inflation rate (an average of less than six percent between 1950-1975) generated by ISI allowed the state, until the early 1980s, to easily finance the co-optive nature of the Mexican system. The co-optive and authoritarian pattern of politics, coupled with the state's ability to provide development financing, without the imposition of harsh austerity programs, enabled the regime for many decades to limit damaging conflict in the society. The regime seldom needed to resort to repressive measures as interest groups could be bribed or co-opted with readily available monies. This heavy

co-optation and light repression prevented the emergence of a national, significant, and organized political challenge. (Gentleman, 1987, 42)

B. FINAL THOUGHTS: THE MEXICAN REVOLUTION

Mexico before the revolution was the domain of one man, Porfirio Diaz. He energized a backwards country and produced one of the fastest growing economies of its time. He also increased the already large disparity between the rich and the poor, promoting a very limited and exclusionary socio-economic system. Those middle and upper classes outside of this system revolted in an effort to "share the spoils."

Mexico after the revolution of 1910 was a loose coalition of political elites all of whom wanted to reap the benefits of economic growth and political favors. This coalition did not want to change the traditional formula for the distribution of wealth; they merely wanted to be included. In order to preserve this unstable coalition, a one-party government was created that embodied all of society within different and unique political sectors. The following section describes the modern Mexican state and this one-party system as it has evolved since 1928.

II. THE MODERN MEXICAN REGIME

A. CORPORATISM IN MEXICO

Corporatism is a method of governing which restricts or eliminates pluralistic competition: private interest groups competing for influence over the government and the policies of the nation. In a corporatist society, government controls the public sector; society tries to influence government decisions through various corporatist spokesmen who represent large sectors of the population. Corporatism can be a true collaboration between private interest groups and a governing body really interested in listening to opposing viewpoints. Or it can function under strict government control with the corporatist sectors doing little more than relaying orders of the government to the public sector. (Wynia, 1984, 99) Mexico operates somewhere in between with a system of populist corporatism.

Populist corporatism implies controlled political mobilization in order to avoid spontaneous uprisings from various class groups. Populist corporatism enfoldes the most influential of these class groups within the state apparatus, controlling and de-radicalizing their demands. This demobilization process in the Mexican political system allowed a sophisticated use of the bargaining process within the limits prescribed by the state. This process is an alternative to the indiscriminate use of repressive measures. If groups were not co-opted, they would have to be suppressed; political organizations within the various corporatist sectors in Mexico act as buffers to this repression. Populist ideology

within a corporatist structure prevents the development in Mexico of real and representative political organizations. Those who resist the system are at risk because of its strength. The combination of authoritarian control and a populist ideology has been effective in neutralizing worker demands, particularly those calling for a redistribution of wealth. Some redistribution is necessary in a regime using co-optation as a political tool, but the distinctive characteristic of Mexico's policies is how this allocation is implemented. Most often, benefit allocation is initiated from the top; it is not in reaction to demands from below. Demands coming from below are rarely implemented; that would imply real mobilization. Mexico's control of its economic expansion closely followed the corporatist organization of politics. Economic growth depended on co-optation and suppression of the labor unions; this control has been achieved by the tenets of populist corporatism. The distribution of wealth was a function of initiatives from the top levels of government used to defuse popular pressures. In a corporatist system, as economic problems arise and co-optation cannot be accomplished through distribution of tangible benefits, the greater is the likelihood of populist rhetoric to diffuse mobilization. (Reyna, 1977, pp. 161-162)

The Mexican regime both operationalizes its corporatist ideology and implements its systems of co-optation and repression through the PRI. The PRI divides itself into the aforementioned peasant, labor, and popular sectors. The popular sector of modern Mexico now represents most government employees, small merchants, private landowners, and low-income urban neighborhood groups. Each sector is dominated by the groups instituted and sanctioned during the Cardenas presidency: the CTM in the

labor sector; the CNC in the peasant sector; and the CNOP in the popular sector.

Essential for the stability of the political structure is a low level of real or valid political participation. The system relies on the apathy of large sectors of the population, especially landless peasants and laborers. The chief benefit of this apathy for the ruling elite is the need to cope with only infrequent demands from most sectors of society, permitting more time to ensure competing elite interests are satisfied. Between 50 and 70 percent of today's Mexicans are effectively barred, through the corporatist form of interest representation, from making any type of demand upon the political system. A key to the maintenance of the Mexican system has been the ability to easily finance the kinds of superficial reforms required to defuse the potential for mass mobilization. (Gentleman, 1987, 6) Ostensibly, these reforms further the goals of the revolution.

B. MODERN OPERATIONALIZATION OF THREE PILLARS OF REVOLUTION

The current Mexican regime claims multiple bases of legitimacy. The revolution of 1910 produced three major themes: liberalism, social welfare, and nationalism; all three are significant legitimating symbols. Mexican liberalism is at once both familiar and foreign. While resembling the American tradition in its physical setup, the Mexican version is in fact strongly influenced by the European idea of a strong state acting as the implementor of law within society. Social welfare implies economic growth, redistribution of wealth, and improved living conditions. (Cornelius and Craig, 1984, 425) The overwhelming presence

of the United States requires special attention in building a national awareness; this is often operationalized as anti-U.S. sentiments (Bailey, 1987, 64).

1. Mexico: Liberalism?

Although clearly built along corporatist lines, Mexico considers itself a democracy. The state considers itself to be the law-giving and order-creating embodiment of an historic social struggle that saw 1,000,000 Mexicans killed over the period 1910-1929. This leads to a particular view of its role in Mexican democracy, as expressed in party statutes:

The function that corresponds historically to the PRI consists of assuring the permanence of the nationalist revolutionary current in the exercise of state power. [This will be accomplished] through the cohesion of the fundamental forces of the people and the strengthening of the bases of democratic support for the constitutional regime of government. The party will struggle...to maintain power to carry out its ultimate consequences the historic project of the Mexican Revolution, by means of the complete force of the essential principles of democracy and social justice of revolutionary nationalism and the invigoration of the institutions sustained in such principles.

(Bailey, 1987, 64)

Another view of Mexican democracy by former president Gustavo Díaz Ordaz says that

...the important thing in a democracy is not so much the procedure as the very essence, and the essence of democracy consists in that it is the sum of the majority wills of the people that determines the paths for government to follow in two respects: with regard to the selection of men and with regard to decision making. (Bailey, 1987, 64)

In one sense Mexico is a democracy; it is a procedural democracy. The "trappings" of democracy are present: there are popular elections among multiple candidates. However, the opposition serves as legitimization for the PRI more than competition; they provide candidates

for the various elections and show the world that the PRI is voted in every term with a mandate from the people. Opposition parties also provide an outlet for the protest vote: people who are so dissatisfied with the government's performance that they can't bring themselves to vote for PRI candidates. Opposition parties are an outlet for dissident political leaders; they actually strengthen the regime by channeling demands within the government-sanctioned arena of political competition.

But the substantive parts of democracy, free elections, more than one candidate competing for office with a realistic chance of winning, multiple viable political parties, and rotation of incumbents between differing political views and parties, is absent. Substantive democracy addresses the features of the electoral system itself. It provides for the unrestricted participation of all the members of a society in the election of government representatives in law-making processes and positions of influence (Tagle, 1987, 153).

The contradiction between substantive and procedural democracy is reconcilable in Mexico as long as the PRI persists in its claim to pursue the "perfection" of democracy. It is tolerable in practice as long as the system demonstrates, to the masses, progress on nationalism and social welfare projects. Business elites, by and large, are content as long as there are large and continuous profits; the lower classes gain some sense of satisfaction from the general image of progress. (Bailey, 1987, 65)

The main features of Mexican politics are limited mobilization; restricted pluralism; competition for public office and benefits restricted to those who support the system; centralized decision making

by one leader or small group; and weak ideological constraints on public policy making. The mouthpiece for the policy decisions of the regime is the PRI.

a. The PRI

The PRI, and therefore the regime, is usually centrist in its domestic and foreign policies. That is, centrist within the plethora of political parties in the country. The U.S. often considers Mexico's policy initiatives too far left of center. Although Mexico's rhetoric is usually revolutionary and often radical, its policies are not. Being the party in power for as long as it has dictates that the PRI fill the political center if for no other reason than to allow those who are more conservative (the Partido de Accion Nacional, or PAN) to formulate policy platforms and ideologies that are to the right of those of the PRI and those who are more liberal (the PSUM and now the National Democratic Front) to formulate platforms and ideologies to the left (Klesner, 1987, 101). The actual centralist policies negate some of the appeal of the right while the leftist rhetoric draws support away from the left.

The PRI's strength is with the relatively backward, rural, and agricultural peoples of Mexico: campesinos, ejidatarios, and the landless peasants. This suggests that the social classes that back the PRI are those it can most completely manipulate through fear, violence, or economic pressure. The PRI's strength in areas populated by this rural lower-class has not weakened over time; if anything, it has increased. (Klesner, 1987, 111)

The PRI and its electoral campaigns serve as a method for distributing small-scale material benefits to Mexico's poor, thereby

helping to increase voter turnout and build mass support for the system. The sexennial campaigns for the presidency and the triennial campaigns for congressional seats bring people in even the most isolated rural villages and neglected urban slums into direct contact with PRI candidates. Even though the candidates promises of help for the community once he is elected may not be believed, a few concrete goods and services can be obtained by the peasants during campaign rallies. Medical and dental examinations are sometimes conducted, children and pets are vaccinated, small campaign gifts like shopping bags and notebooks for school children are distributed, and sewing machines and other household appliances are raffled off; this gives the PRI an advantage over the opposition parties, which usually have nothing to distribute. Additionally, Mexico's official party has had the economic power to distribute these benefits on a nationwide basis. At best, the opposition works in regions of the country only. The PRI's success as a vote-getting machine serves as one of the methods to legitimize its continued hold on the presidency (Cornelius and Craig, 1984, pp. 439-440).

b. Presidential Rule

The political system is commonly described as presidentially centered highlighting the extraordinary powers of the Mexican president. Ratification of the president's policy choices by both houses of Congress has been virtually automatic since 1930. On any issue having national political significance, the federal judiciary takes its cue from the incumbent president or legislation enacted in his behalf. As with the legislature and judiciary, the president is not limited by any type of

rigid ideology. The ideals of the Revolution are no more than a loosely connected set of goals or symbols: social justice, economic nationalism, reduced influence of the church in public life, and freedom from self-perpetuating dictatorial rule in the Porfirio Diaz style. These ideals do not generate specific policies and therefore do not need to be result oriented. This in combination with a lack of checks and balances usually provided by a legislative and judicial branch makes possible a flexible style of leadership and ensures ultimate power and influence by the president at all levels of government.

Most public officials serve at the pleasure of the President. For municipal or state offices, the president can veto any nomination. The selection of a successor to the president of the republic is a mystery to all but the Mexican political elite, but all observers agree that the incumbent plays a major role in the process; the current state of political and economic affairs also affects the choice.

As Mexican presidents are so much a product of the system over which they preside, it is often argued that policy shifts from one administration to another are likely to be limited. Though dramatic policy shifts by incoming presidents are not likely, meaningful "readjustments" of policy orientation and political style are both feasible and necessary to maintain political stability. Swings in policy have occurred from one sexenio to another on a rough kind of left-right, progress-conservative continuum, since consolidation of the central government in the 1920s. The following chart illustrates the above point.

<u>Progressive</u>	<u>Conservative</u>
Cardenas (1934-1940)	Calles (1929-1933)
Avila Camacho (1940-1946)	
Ruiz Cortines (1952-1958)	Aleman (1946-1952)
Lopez Mateos (1958-1964)	
Echeverria (1970-1976)	Diaz Ordaz (1964-1970)
Lopez Portillo (1976-1982)	
De la Madrid (1982-1988) Political Reform	De la Madrid (1982-1988) Fiscal Policy

(Cornelius and Craig, 1984, 430)

Figure 1: Ideological Slant of Mexican Sexenios

Although not restricted by the government structure, the presidency does confront some real limitations. Mexico's participation on the international stage imposes constraints in areas such as tourism, trade, investment, and even the vague "world opinion." Macroeconomic policy is dictated by oil prices on the international market, interest rates of the creditor countries, and world economic trade cycles. Business elites, both national and foreign, limit presidential behavior because of the threat of capital flight: a significant problem in Mexico since the early 1970s. The CTM, a pillar of the PRI and the Mexican regime, must be negotiated with. Mexican workers are constantly called upon to sacrifice increased wages and endure declining standards of living in the name of economic growth or as a result of IMF-imposed austerity measures. Journalism enjoys increasing freedom within the country, although the custom of avoiding direct criticism of the president still generally holds. Foreign media is more constraining through the worldwide exposure it often affords.

The deterioration of the image of the presidency due to the turmoil of previous sexenios often restricts behavior of the current president (Bailey, 1987, 68). In 1976, president Echeverria devalued the peso over 40 percent causing heavy capital flight; in 1982, president Portillo again devalued the peso by 70 percent and nationalized the Mexican banking system. President de la Madrid also greatly devalued the peso and has presided over a contraction in the economy. This puts Carlos Salinas de Gortari at a disadvantage in dealing with business leaders concerned with dwindling profits and labor leaders concerned with the shrinking buying power of the peso. Mexico's form of "liberalism" then, greatly affects the benefits and overall social welfare of the society.

Although in theory similar to the United States, the three branches of government in Mexico do not impose restraints on each other. The executive branch holds the vast majority of power and in reality operates independently. This is not to say there are no restrictions placed on the president. However, these limitations are imposed not by internal factors but by external forces through participation in the world marketplace.

2. Social Welfare

During the revolution of 1910 the ruling elite formally committed themselves to improving the lot of the masses through a reallocation of wealth. One of the principal methods for this reallocation was the redistribution of land through agrarian reform.

TABLE 3: LAND DISTRIBUTION BY ADMINISTRATION 1915-1940

	Acres
1. Carranza	943,354
2. Obregon	4,142,055
3. Calles	7,891,719
4. Portes Gil	5,102,642
5. Ortiz Rubio	2,973,230
6. Rodriguez	4,958,203
7. Cardenas	49,580,203

(Meyer and Sherman, 1987, 599)

The number of acres given to peasants reached its peak during the Cardenas administration. After the Cardenas sexenio, land distribution declined sharply, reaching pre-Cardenist levels.

Other improvements initiated in the early years after the Mexican revolution included increased federal expenditures for education and the strengthening of the labor unions. Increases in minimum wage, sports and recreation programs, as well as health and sanitation projects were also seen. (Meyer and Sherman, 1987, 598-603)

Although formally committed through its constitution and the above programs to the improvement of the common people, the masses in Mexico benefitted little, actually taking a step backwards, during the impressive growth Mexico experienced during the years after 1940. During this period the wealth of middle and upper class Mexicans grew yet the disparity in income between these groups and the masses was as large as in 1910. The richest ten percent of Mexicans were 52 times richer than the poorest ten percent. Additionally, the cost of living was increasing. Inflation, 22 percent in 1974, rose to over 100 percent by 1982. As the consumer price index increased steadily, real wages actually dropped.

TABLE 4: CONSUMER PRICE INDEX

(1968 = 100)

1968	100.0
1972	120.3
1973	134.8
1974	166.8
1975	191.8
1976	222.1
1977	286.7
1978	325.5
1979	395.3
1980	513.1
1981	680.7
1982	1321.5
1983	1321.5

(Hellman, 1978, 104 and Alvarez, 1986, 49)

Social conditions never substantially improved after 1940. The majority of adults in the rural areas of Mexico remained illiterate; only 15 percent had even attended four years of primary schooling. Fifty percent of the homes in the rural areas consist of only one room. As late as 1979, only 28 percent of Mexicans in the rural areas had electricity and less than 50 percent had safe drinking water. Parallel statistics for the middle and upper class showed only a ten percent illiteracy rate in adult males in Mexico City, 80 percent had electricity, and 70 percent safe water. More information on the lot of the rural masses follows in a 1970 table based on the Mexican census. The rural conditions, although much better, point to the poverty throughout the country.

TABLE 5: URBAN AND RURAL SOCIAL CONDITIONS

	Urban	Rural
	(Percentage)	
Live in homes of only one room	30.6	48.1
Live in homes with electricity	84.5	34.5
Cannot read or write	17.8	39.0
Go barefoot	1.6	12.0
Wear sandals	3.8	22.0
Wear shoes	94.4	65.6
Eat only tortillas (no bread)	12.8	34.0
Do not eat meat even once a week	11.0	30.0
Do not eat eggs even once a week	15.8	30.0

(Hellman, 1978, 107)

The Mexico of today is not much changed from the 1940 to mid-1970s time frame. Only 60 percent of Mexicans today are receiving enough food; most consume less than 2000 calories per day. Twenty percent of the population eats no meat or eggs and 40 percent drink no milk. In some portions of the country over 80 percent do without these staples. Thirty percent receive no health care. In Chiapas in 1983, 2.5 million people were served by only 250 hospital beds and 521 doctors. Forty percent of the country is underemployed while the upper 30 percent of the people control 73 percent of the income. Besides an emphasis on accumulation over redistribution, massive population growth contributed to the social ills of current-day Mexico. (Riding, 1984, pp. 316-317)

The population growth rate in 1940 was 1.1 percent but had jumped to 3.5 percent by 1970. During this period the population increased over 150 percent. Although the growth rate was 2.3 percent by 1984, down from a high of 3.7 percent in 1977, the government struggled to provide adequate health care for 40 million Mexicans born in the previous 20 years (Riding, 1984, pp. 316-334). The promises made by the

ruling elite in 1910 that dealt with the elimination of social inequity and social injustice have not yet come to fruition in 1988. Equally as frustrating to the impoverished is the closeness of a country of great wealth and opportunity.

3. Nationalism and the United States

Mexico and the United States share a border almost 2000 miles in length. The United States is Mexico's largest trading partner while Mexico is third on the list of major trading partners for the U.S. Over 12 million Mexicans live in the United States (Chavez, 1987, 12); 500,000 Americans live in Mexico and four million visit annually (Castañeda, 1986, 122). But further investigation reveals a sometimes stormy relationship. In 1821, the Spanish granted Moses Austin, an American, the right to colonize one of the most northern portions of Mexico: Texas. By 1835, the Americans numbered over 30,000 while Mexico could count only 7800 in Texas. Declaring their independence in that same year, Texans fought bitter battles with Mexican troops to win their freedom; the most famous of which was the battle at the Alamo. Although victorious in that particular battle, Antonio Lopez de Santa Anna Pérez de Lebrón was captured by the Texans in 1836. During his imprisonment Santa Anna signed two treaties; one promised cessation of hostilities while the other granted Texas its independence. Another war in 1846, between the U.S. and Mexico resulted in more sovereign Mexican land becoming the property of the United States. (Meyer and Sherman, 1987, pp. 338-342)

Independent from 1836-1845, Texas was a target for U.S. annexation in 1845. In 1845, Texas, in a declaration disputed by Mexico, claimed parts of New Mexico and Colorado as well as what is today Texas

territory. Additionally, the United States wanted the rest of New Mexico and California. Mexicans, still stinging from the loss of Texas in 1836, refused to discuss any terms or possible sale. Operating in disputed territory on May 9, 1846, American general Zachary Taylor was attacked by Mexican forces. The United States declared war on Mexico and defeated them by 1848. In the treaty of Guadalupe Hidalgo on February 2, 1848, Mexico ceded California, New Mexico, and the disputed parts of the Texas territory to the U.S. In this one treaty, Mexico lost half of its territory. Further alienating his countrymen, General Santa Anna sold what is now southern New Mexico and Arizona to the U.S. for \$10 million in the Gadsden Purchase of 1853. (Meyer and Sherman, 1987, 342-352)

It is clear then that since the beginning of the 19th century, the Mexicans have often been in conflict with the United States. It is also clear that Mexico lost much because of this conflict: almost half of its land and perhaps much of the respect for its northern neighbor. These losses were not due to diplomatic maneuvering but simply the overwhelming power of the United States, both militarily and economically, vis-a-vis Mexico. Even with the passing of decades, the relationship today is often still one of conflict and confrontation. A contemporary comparison of military strengths, population, and economy of the two countries again highlights a number of inequities.

The United States is far superior militarily to Mexico, has three times the population, and 15 times the gross national product. Two-thirds of Mexico's trade is with the U.S. while only three to six percent of U.S. trade is with Mexico. Mexico depends primarily on the United States' market for its goods and United States' loans (through its

control of the World Bank and International Monetary Fund) to finance its development. On a philosophical level, there are also differences; the different cultures and value systems produce national interests not always in agreement. Three areas producing much discussion and disagreement between the two nations are emigration, narcotics trafficking, and Mexico's foreign debt. The first two topics are discussed in the following sections while foreign debt will be taken up in part three of this thesis.

a. Immigration to the United States

Mexico's rapid population growth over the past 20 years, (in excess of three percent per year) has resulted in the need to generate 800,000 new jobs annually just to maintain a steady employment rate. Currently, Mexico produces only 400,000 new jobs per annum. Immigration to the U.S. of under or unemployed workers acts as a pressure release for the tensions and hardships of a struggling economy. The vast majority of immigrants are low-skilled. As such, this puts little drain on the productivity of the nation while reducing the dangers of uncontrolled mobilization. Additionally, if one assumes the bulk of migration is temporary and undocumented, income earned is added to Mexico's output, not that of the United States. (Gibson, 1985)

While Mexico would like to increase the immigration flow, the U.S., at least through recent legislation, has shown a desire to slow and better document the flow. This bill, discussed in the following paragraphs, caused much debate in the U.S. Congress and highlighted two very different opinions of Mexican immigration.

First, Immigration takes jobs away from American workers and overtaxes state and federal welfare services. In 1986 the U.S. passed the Simpson-Rodino Immigration bill which now limits migration from Mexico. The law will crack down on illegals in the country by (1) forcing employers to require documentation before hiring migrant workers, (2) strengthening border patrol inspections, and (3) offering amnesty and citizenship to workers who can prove residence in the U.S. before January 1, 1982 (Armstrong, 1988). This last provision will guarantee that the income of the now legal workers will be added to the GNP of the United States, not Mexico. This legislation has the effect of closing the pressure valve Mexico counts on to help relieve stress in the country.

The second view of Immigration emphasizes the positive side. Mexicans do not take jobs from American workers because they labor in positions that U.S. blue-collar workers do not want. If they do take some jobs away, the displaced U.S. worker is retrained and gains valuable new skills. Additionally, this cheap Mexican labor keeps the cost of goods down and helps the United States compete with low wages paid in the Far East. This more positive view of Mexican Immigration is a minority opinion at the present time. Another issue between the two countries generating differing viewpoints and heated debate is the flow of illegal narcotics.

b. Narcotics Trafficking

Drug trafficking didn't become a highly publicized issue between the two countries until February, 1985 when a U.S. drug enforcement agent, Enrique Camarena, was murdered (Smith, 1987, 130).

This has led to many of the allegations about corruption and cover-up in drug enforcement operations in Mexico. Who is responsible for the 15 million marijuana users and the one-half million heroin users in the United States? Who is to blame for the ten million pounds of marijuana and the large quantities of heroin making their way to the U.S. every year? Who causes billions of dollars each year to be spent on increased health care costs, lost productivity, and related crime and violence? (UN Chronicle, 1987, xi) The answer depends on who you talk to.

The U.S. places primary responsibility on Mexico, citing five reasons.

1. Failure to promote agricultural alternatives.
2. Tacit encouragement of drug trafficking.
3. Inadequate drug campaigns.
4. Non-confrontation of local guerrillas.
5. Failure to cooperate with U.S. officials. (Levy, 1983, 196)

In April, 1988, the Senate voted 63-27 to impose sanctions against Mexico for a lack of effort in curbing drug trafficking. Under this "decertification", aid would be cut by 50 percent; more seriously, the same vote would curtail loans available through the International Monetary Fund and World Bank. Although never decertified under the Reagan administration, republican senator Alfonse D'Amato from New York called Mexico "America's No.1 drug dealer." (Greenberger, 1988, 50)

From a Mexican viewpoint, the major responsibility for the drug problem should be shouldered by the United States. If the market for drugs dries up, then so will production. Mexico points to the large number of people convicted of drug crimes in the United States, using this as their argument that demand is high. An advisor to Mexican president Miguel de la Madrid said of the sanctions voted on by Congress,

If the US President would be required to certify local, state, and federal efforts the way he is required to certify Mexico, those entities wouldn't be certified at all. (Greenberger, 1988, 50)

In the same breath, they point to the help given in eradicating the growing of illegal drugs in their country. In the mid-1970's, Operation Condor, a joint U.S.-Mexican effort was wiping out marijuana fields and prosecuting drug traffickers. In September, 1986, U.S. officials brought six Turbo Thrush aircraft to Mexico, combining them with high-spraying capacity helicopters of the de la Madrid government, and eradicated much of the fall poppy crop before it could be harvested. But in their view the U.S. was still primarily responsible for the drug problem because of the high demand. (Whitehead, 1986, 38)

C. FINAL THOUGHTS: THE MODERN MEXICAN REGIME

The phrase, "the more things change, the more they stay the same," aptly applies to Mexico in many ways. Since the days of the Porfiriato, the political system has been characterized by a strong and highly centralized government. The revolution did not change this. It replaced one ruling elite with another. Since the days of the Porfiriato, Mexico's political process has been highly exclusionary. Today less than 50 percent of the population participates in the electoral process and even fewer share in the benefits. Since the days of the Porfiriato, the system of government depends on a blend of co-optation and repression financed by economic development. Diaz brought in foreign advisers and money to reinvigorate a sluggish and backward economy. Aleman brought in the process of ISI to again start up an economy devastated by war and depression.

Mexico faces challenges which threaten to disrupt these threads of consistency and stability that have characterized the political system for six decades. The following section explores these challenges.

III. CHALLENGES TO THE MODERN MEXICAN STATE

A. ECONOMIC CRISIS: INFLATION AND FOREIGN DEBT

The Mexican regime relies heavily on sustained economic growth to facilitate legitimization of its system of government. The PRI depends on funds generated by this growth to implement public works projects, support huge public payrolls, and appease business elites without having to resort to strict austerity measures or heavy taxation. The number one challenge to the current political system in Mexico is the economic crisis evident in the ever-climbing inflation and the huge foreign debt.

1. Inflation

Although a strict fiscal policy reduced inflation from 100 percent in 1982 to less than 60 percent in 1984, the collapse of the peso, drop in international oil prices, and the two earthquakes in 1985 caused it to again skyrocket in 1986 and 1987. Mexico's inflation rate for all of 1987 stood at 159.2 percent. What is important to realize here is the effect on the peasants and laborers. The regime depends upon a lack of uncontrolled mobilization of peasants and labors, both of whom have the dubious honor of suffering the most from both the brunt of inflation and its remedy, the austerity program. Even before the current economic austerity program, workers had lost 50 percent of their buying power in the last six years. Unsatisfied demands or concerns of peasants and laborers within a corporatist regime can boil over into violence and mass mobilization. The austerity measures imposed through the recently implemented Pact of Economic Solidarity to reduce inflation have already

caused dissension among the business elite and brought new proposals from labor leaders for nationwide strikes (Serra, 1987, 9).

The first phase of the new inflation program was designed to increase government revenues through a one-time price increase of staple goods. In early December, 1987, the government raised the price of gasoline and electricity 85 percent and that of sugar 81 percent. Public spending was reduced by trimming over-burdened payrolls through reduced funding of public works projects and by selling off state-owned enterprises. The result of this was the laying off of large numbers of workers. (Serra, 1987, 9) President de la Madrid froze prices on other consumer goods but also froze wages and devalued the peso 22 percent thereby making foreign goods more expensive. Import duties were reduced from 40 percent to 20 percent to counteract the rise in the price of foreign goods usually evident in a currency devaluation; this had the added effect of putting some domestic businesses under pressure to compete with the foreign goods. Further layoffs or plant closures may become evident. (Larmer, 1987, 7) As of November, 1988, the austerity program had reduced inflation to one percent a month but at an extremely high cost to the middle and lower classes.

2. The Foreign Debt Crisis

Mexico's foreign debt crisis caught international attention in August of 1982 when it became the first major debtor to run out of foreign reserves needed to service its debt. This prompted bridging loans and mass rescheduling on the part of banks and official lending institutions to cover the payments and ease the debt payment burden (Pastor, 1987, 7); exacerbation of the foreign debt problem was the only

concrete result. This crisis developed in only 12 years as in 1970 Mexico had an almost zero balance on its foreign account.

In the 1970s, the oil producing nations of the world could not spend all of their export revenues; they accumulated large reserves in private banks. These private commercial banks, holding the excess reserves of cash and not finding enough investments, lent much of this money in the third world, a large portion of it to Mexico. Mexico itself produced large export revenues through oil and had increased oil exports from 96,000 barrels per day in 1975 to 1.1 million barrels per day by the end of the decade. Yet the country chose to finance its growing desire for imports with foreign borrowing of Middle East petrodollars. A world recession prompted additional borrowing.

The worldwide recession in 1976 affected trade with the U.S. and shrunk the annual growth rate to 2.1 percent (Average annual growth between 1940 and 1970 was six percent) (Grayson, 1986, 153). The peso, stable since 1954 at 12.5 to the dollar, had been devalued 42 percent in 1976. There was heavy capital flight of the newly borrowed funds and the foreign debt was \$18 billion by 1976 (Street, 1987, 101).

In the three decades after WWII, Latin American debt owed to official, long-term, multilateral lending institutions dropped from 50 to 12 percent. As the IMF and World Bank are dedicated to lending money for development, not import purchases, Mexico found it increasingly difficult to provide the required loan justifications to these institutions. It had to turn to commercial banks for the financing it needed. (Pastor, 1987, 7) This resulted in a change in the character of the debt; long-term loans from multilateral lending sources at lower interest rates were

replaced by short-term loans from commercial banks at higher interest rates. As developing countries continued to request new loans, commercial banks, including those within the United States, kept the money supply turned on. But the price for tapping this supply became increasing higher.

The jump of international oil prices and its affect on the United States in 1979 and 1980 added to Latin America's debt problem. Trying to stem the inflationary tendencies of rising oil prices, the U.S. Federal Reserve Bank instituted a stringent monetary policy. Short-term lending rates by 1981 were 15.9 percent, up from 8.2 percent. Most of the loans taken out by Mexico previous to this rate hike were negotiated on floating-rate basis. (Pastor, 1987, 7) As the interest rates rose, so did the payments.

The government policies of Mexico during the 1970s and 1980s contributed to the problem of a growing percentage of export revenues needed for debt servicing. The percentage of export revenues from goods and services going to service the debt is as follows for Mexico.

TABLE 6: EXPORT REVENUES AS PERCENTAGE OF DEBT SERVICE

<u>YEAR</u>	<u>%</u>
1978	24.0
1979	24.5
1980	23.3
1981	29.0
1982	47.3
1983	37.5
1984	39.0
1985	36.0
1986	40.0

(Pastor, 1987, 10)

One result of the government policies was the discouragement of non-oil exports by facilitation of an over-valued exchange rate. This made Mexico extremely dependent on world oil prices and therefore the foreign policy decisions of other countries. In 1981, Mexico refused to lower the price of crude oil and when the market changed from one belonging to the sellers to one belonging to the buyers, export revenues dropped to two-thirds of the expected amount. The policy also encouraged capital flight; Mexicans invested in foreign currencies anticipating a devaluation of their currency. By selling dollars to maintain the value of the peso in the face of this capital flight, the regime depleted foreign reserves needed to make debt payments. Even growth rates rivaling those at the height of ISI could not bring in enough money to service an ever-increasing debt.

Between 1979 and 1981, Mexico grew at an annual rate of eight percent (Grayson, 1986, 153). Financed by oil and gas exports, (earnings from exports reached \$16 billion in 1980, \$20 billion in 1981, and \$21 billion in 1982-83) the administration of Lopez Portillo embarked on a national development program. The plan emphasized expansion of the state petroleum industry and promotion of new industries to be located in 11 regional development zones (Street, 1987, 102). These industries were afforded tariff protection under the existing import substitution policy. The development program couldn't handle revived consumer demands brought on by the oil boom. Government policies put money into the income stream before the expansion program could provide enough goods for consumers to buy. Inevitably, imports, both legal and illegal, rose to meet consumer demand. (Between 1977 and 1981, imports of food, capital, and luxury

goods rose from \$6 billion to \$23 billion) This drained dollars from the treasury which was additionally drained by poor management of PEMEX, the state oil company. Lack of control allowed revenues from oil exports to reach the hands of private individuals who sent the money out of the country. In short, although export earnings were up significantly since 1980, there was a shortage in the balance of payments in 1982 and monetary reserves increased only temporarily.

To keep from losing additional monies due to speculation, the peso was allowed to float and it promptly dropped 45 percent. Later in the year, the peso dropped an additional 35 percent. External debt was \$55 billion by 1982, more than three times what it had been six years earlier. (Street, 1987, 102) Mexico suspended payment on principal and interest to foreign banks, most located in the United States. Jesus Silva-Herzog, Minister of Finance for Mexico, announced in August 1982 that Mexico did not have enough foreign reserves to meet its debt payment schedule.

Mexico agreed to cut the budget deficit from the current 16.5 percent of GDP in 1982 to 8.5 percent in 1983 ultimately reaching 3.5 percent in 1985. Mexico also agreed to limit foreign borrowing to \$5 billion in 1983 and increase foreign currency reserves to \$2 billion. One additional goal was the moving to a unified exchange rate (Grayson, 1986, 154). But the debt crisis did not go away. Mexico could no longer work within the previously agreed to austerity measures and requested rescheduling of the debt.

TABLE 7: MEXICAN DEBT RESCHEDULING (1982-1984)

(In Millions of Dollars)

1982-1983		1983-1984	
<u>Amount</u> <u>Maturing</u>	<u>Amount</u> <u>Rescheduled</u>	<u>Amount</u> <u>Maturing</u>	<u>Amount</u> <u>Rescheduled</u>
23,700	5,000	12,000	3,800

In 1985 and 1986, the foreign debt held steady at \$97 billion but massive capital flight continued. The \$1.5 billion lost overseas in 1985 brought the total amount leaving the country since 1970 to over \$40 billion. The government's public deficit continued to rise, standing in 1986 some 33 times larger than in 1980. In June, 1986, de la Madrid again devalued his currency; this time it dropped 48 percent. High inflation and a disappointing debt-reduction bond sale characterized 1987. The sale, cosponsored by one of the top ten U.S. banks, was supposed to reduce the Mexican debt, through the sale of bonds, by as much as \$10 billion. The sale did not even reach ten percent of its goal. By the middle of 1988, the foreign debt was over \$107 billion. The United States recently lent Mexico \$3.5 billion in bridging loans to ease the economic burden. The crisis continues.

B. INTER-ELITE TENSIONS: THE SPOILS SYSTEM

A spinoff of the foreign debt crisis is an exacerbation of the growing discontent with the traditional formula for the management of inter-elite relations and elite-middle class relations. The top priority for the political elite is to prevent a union of dissatisfied middle sector elements with dissident elites. This dissatisfaction is brought on by unfulfilled expectations due to the economic problems in the

country. This deepening crisis makes the regime's efforts to achieve a reharmonization of elite interests critical, but difficult given the nature of the discontent over the nation's economic problems. Further, there is a tendency for the political elite to try and monopolize increasingly scarce resources. The state must solve the problem of inter-elite tensions and growing political distance between the corporatist structure and the disaffected middle sectors. (Gentleman, 1987, 7-8)

1. Traditional Populism

In a 1983 article, Steven Sanderson discusses the problems of presidential succession and elite tension in Mexico. Three assumptions of his study were (1) the economy effects the coalition of political elites, (2) the influence of the PRI is dependent on the character of this coalition of elites, and (3) the change in Mexico to an oil-based economy fundamentally changed the nature of the political elite: from the career politicians of the PRI and their populist-redistributive reward system (traditional populism) to career bureaucrats and técnicos and their oil-patronage system (new populism). (Sanderson, 1983, 317)

Traditional populism was the spoils system used by the PRI before oil became the major export commodity. This spoils (reward) system had as its foundation five principles dating back to the revolution.

1. Encouragement of entrepreneurial aspirations.
2. Protection of nascent industry through tariffs and exchange-rate policies.
3. Encouragement of foreign investment.
4. Worker inclusion, through wage improvements, in the benefits of increased productivity and improved technology.
5. Agrarian reform with emphasis on land redistribution.

(Sanderson, 1983, 319)

Between 1934 and 1976 presidents like Cardenas, Mateos and Echeverria epitomized traditional populism, instituting policies aimed at reducing the social and economic inequity of their broad-based support group; they believed in agrarian reform. At the same time, these men promoted the concept of Import Substitution Industrialization and foreign investment. (Dominguez, 1982, pp. 202-211)

No one more characterized traditional populism than Cardenas. He was a president of the people; he possessed the charisma needed to inspire and lead. Cardenas often made difficult policy choices based on the advice of the masses (Meyer and Sherman, 1987, 596). Cardenas knew the value and power of popular approval. As a story goes, one day the president's secretary laid a list of important concerns and a telegram in front of Cardenas. The list said:

Bank reserves dangerously low. "Tell the Treasurer," said Cardenas. Agricultural production falling. "Tell the Minister of Agriculture." Railroads bankrupt. "Tell the Minister of Communications." Serious message from Washington. "Tell Foreign Affairs." Then he opened the telegram which read: My corn dried, my burro died, my sow was stolen, my baby is sick. Signed, Pedro Juan, village of Huitzilpitzco. "Order the presidential train at once," said Cardenas. "I am leaving for Huitzilpitzco." (Brenner, 1971, 91)

Cardenas was genuinely committed to social reform and the redistribution of wealth. Additionally, he still concerned himself with inflation, declining oil revenues, capital flight, and declining foreign investment (Meyer and Sherman, 1987, 606). The Cardenas administration with its emphasis on both social progress and economic growth epitomized the eclectic nature of the revolutionary elite.

The Mateos sexenio emphasized the adherence to revolutionary principles; foreign policy was leftist in practice and small agricultural

growers were protected. Mexico's support of Cuba helped maintain internal stability by effectively maintaining the "left" side of the PRI within the elite coalition. Mexico was the only Latin American country that did not break diplomatic relations with Cuba when Organization of American States (OAS) sanctions were imposed. Under President Mateos, the size and power of the Mexican Coffee Institute (INMECAFE) grew while protecting and promoting small coffee businesses. The institute continued to expand under the guidance of Echeverria although it was all but dismantled under President Portillo. (Dominguez, 1982, pp. 208-210).

Populist policies characterized the 1934-1976 time period, perhaps reaching their peak during the Cardenas, Mateos, and Echeverria sexenios. The ruling elite coalition had at its core the career politicians of the PRI. The official party of the regime co-opted the broad support base and maintained internal stability through a spoils system within a traditional populist model. All of this changed in the mid-1970s with the discoveries of large deposits of oil near the Gulf of Mexico and in the southern part of the country. This new-found wealth shifted power from the career politicians to a group often referred to as técnicos, or technocrats.

2. The Oil-Based Patronage System

In 1976 Mexico discovered major oil deposits in the south. As the decade came to an end, the largest oil field discoveries in the world since 1970 belonged to Mexico. In 1979, Pemex, the national oil company, estimated an oil potential of 200 billion barrels. This is second in the world only to Saudi Arabia with 215 billion barrels. David Ronfeldt, in a study conducted for the U.S. Department of Energy, did not believe

the potential was quite as high but ranked Mexico with at a minimum, Iraq and Venezuela, with the possibility only the United States and Saudi Arabia ultimately out producing Mexico (Ronfeldt, 1980, 33). The first president to benefit from this discovery was Portillo.

The election of Portillo brought with it a new populism: this populism used a spoils system arising from an economy "fueled" by oil. The downfall of traditional populism in 1976 was caused by the rise of private interest groups outside of PRI corporatist institutions, the disenchantment of the middle class with revolutionary goals, and the economic crisis in 1976. The private sector groups opposed agrarian reform, especially land redistribution; relative independence from the regime made co-optation of these groups relatively ineffective. The financial crisis in the mid-70s had two effects on domestic policies. Programs for redistribution of wealth could not be maintained and often the middle class suffered most from the shortfall. Additionally, the problem of servicing the foreign debt highlighted the problems of trying to maintain high levels of spending for social development while pursuing low tax rates and export-led growth. (Sanderson, 1983, 322).

The post-1976 state in Mexico is committed primarily to economic growth and accumulation and only in a secondary manner to redistribution of the benefits of this growth. Workers are compensated by non-wage benefits. Food subsidies replace agrarian reform. The flexibility of the current political system then is reduced when the oil revenues which "lubricate" the system, are in decline. (Sanderson, 1983, pp. 333-334)

Under Portillo agrarian reform was abandoned; real wages declined every year during his sexenio. The oil boom gave the Portillo government

the means to control mobilization and discontent through food subsidies and social security benefits. However, Portillo lost support from peasants and laborers by emphasizing economic growth over labor and agrarian reform.

The Portillo regime pushed trickle-down economic policies instead of social reform. The subsidy system of the 1976-1982 period was financed by the oil boom which also bankrolled bloated public payrolls. The Import Substitution Industrialization model of the 1940-1970 period was replaced by debt-led growth in the mid-1970s. As the plight of the workers worsened and agrarian reform withered away, the PRI became less important in the electoral process. No longer was it the controller of the government reward system so as to control local politics. Its role in formulating the six-year plan of the sexenio was taken by the técnicos and bureaucrats. Political reforms in 1977 were the most sweeping in recent history and further weakened the hegemony of the PRI in party politics.

The new populism of the oil-patronage model depended on elite-coalition building as did the traditional model. But due to control of oil revenues and their distribution, state bureaucrats (técnicos) replaced the politicians of the PRI as the dispensers of rewards and patronage. This new model is in fact characterized by its use of the revenues of the oil boom as a substitute for actual agrarian and urban reform. The goals of the revolution became nothing more than rhetoric: subsidies for food staples instead of land redistribution and social security benefits to lessen the blow of repressive wage policies. New populism has guiding principles and the main tenets include:

1. trade expansion and liberalization emphasizing comparative advantage and reduced tariffs;
2. an enlarged public sector to include more state-owned companies, and;
3. increased centralization and reliance on technical expertise as during the Porfiriato.

This decline in the influence of the PRI with the advent of new populism, accompanied by the liberalizing of the electoral system, IMF-imposed austerity measures, and a \$105 billion foreign debt led to instability during the de la Madrid presidency. Emphasis on economic growth is tolerated during periods of rapid expansion of the GDP but is cause for instability during periods of contraction like that experienced during the de la Madrid presidency (Sanderson, 1983, 402). The instability was avoided during the Portillo years as huge programs for rural health, food production, social security, and job creation were made possible through oil patronage. But for de la Madrid, oil revenues were used in an attempt to cope with debt-service obligations. (Sanderson, 1983, 405).

In President de la Madrid's administration, there were two opinions voiced concerning the correct oil policy (Grayson, 1986, 155). The so called pragmatists, headed by PEMEX Director General Mario Ramon Beteta and Silva-Herzog, the Finance Minister, wanted to tie the price of crude to oil prices on the world market. While maintaining a nationalistic policy, they wanted to maintain contact with OPEC. This group wanted to continue supplying oil to the poorer countries in the region but insisted these countries continue to pay 80 percent of the international market price.

The second group was the nationalists led by the Energy Minister Francisco Labastida Ochoa, and Foreign Minister Bernardo Sepulveda Amor. They were not as convinced that market forces alone should determine the price of oil. Some price fixing was necessary. They would also allow the poorer countries in the region, specifically Nicaragua, to have much easier terms in repaying imported oil. The decision by de la Madrid in the spring of 1985 to side with the nationalists cost the country valuable export earnings. Because the price of crude remained at a February 1985 price, even while members of OPEC were cheating by selling on the spot market and thereby driving the price of oil down, exports dropped from 1.4 million barrels per day to 783,000 (Grayson, 1986, 157). When prices were finally cut in July 1985, the barrels per day went back up to 1.48 million thereby validating the pragmatist view, but the damage had been done.

3. Técnicos Ascending

The rise of técnicos like Portillo and de la Madrid brought men to power with different backgrounds and goals than the politicians preceding them. These men were highly educated, often at foreign universities. Being career bureaucrats, they did not have the large personal followings characteristic of career politicians. Because of this they were not swayed as much by special interest groups. The técnicos liberalized the economy, loosening the restrictions on foreign investment. While still nationalistic, their loyalty is to the regime, not the people. Presidents in recent sexenios tend to come more from big cities and identify less with the laborers and peasants whom they represent and more with técnicos (Ronfeldt, 1985, 12). These presidents

caused a rightward shift in the regime. The conservative movement granted more power to private business through anti-strike platforms and less power to the leftist popular movements (Sanderson, 1983, 403). This shift in support somewhat alienated labor and peasants, traditionally the strongest sources of support. By shrinking the support base, the chances of internal instability increased in that a majority of the people could no longer be co-opted effectively through two of the three corporatist organizations. Always a group to be watched for signs of instability, the middle-class in Mexico has suffered greatly from the economic situation in the country. Middle class families feel many of the consequences of inflation due to their life-styles (private education, consumer durables) and their lesser participation in price-controlled goods and services such as subsidized health, food distribution and public transportation (Bailey, 1987, 65). The De la Madrid Administration recognized this constituency, the largely unorganized, disaffected, mostly young and relatively well-educated urban middle class, as one of its major political challenges (Cornelius, 1987, 34).

C. GOVERNMENT AND THE BUSINESS SECTOR

Of particular significance in the contemporary malaise of the Mexican political system is the breakdown of relations between government and the business sector. The outcome of these relations will have important economic and political implications, since they will shape the course of Mexico's future political stability and economic growth. Business is the PRI's most powerful political rival, and its economic importance comes from the reluctance of Mexican businessmen to make investments in a

system which has lost their confidence. Yet restoring private-sector investment is important to Mexico's economic recovery. Government-business relations in Mexico will to a large degree determine the extent and speed of political opening in Mexico's single-party dominated political regime. If the economy does not recover, concessions in the form of recognition of opposition mayoral or gubernatorial victories might have to be made to control mobilization. This would happen as an alternative to repression.

In the 1970s, economic and political problems began to erode the business-government pact. Portillo expropriated the nation's banks in an effort to regain control over the economy, particularly industrial development and heavy capital flight. The expropriation created economic uncertainty and tremendous distrust and suspicion on the part of business elites in the Mexican government. A majority of businessmen in 1989 believe their interests are not adequately represented by the contemporary political system. (Maxfield, 1987, 3) The community is however divided and cannot present a united front. The PRI exploits these divisions through policies which aim to divide and conquer the business community.

Mexican businessmen are divided regarding their appropriate level of political participation in at least four different ways. The first position, held mostly by small and medium-sized industrialists, favors the incorporation of business into the PRI as its fourth corporatist sector. A second point of view is indicative of many older, conservative businessmen; they object to any call for change in relations between business and the political system. A third group of businessmen believes

in the need for change but favors the moderate approach of limiting political activity to individuals and pressuring the system both from within the PRI and from the opposition. A final group favors radical change in the political system and believes business should be the vanguard of that change (Maxfield, 1987, pp. 1-4).

The business sector will obviously play a key role in the economic future of Mexico. What is not obvious is the type of role it will play: supporter of regime policies or facilitator of change. These entrepreneurs and managers are advisedly wary after massive peso devaluations and a nationalization of the banking system. They do not want to invest in the factors of production or keep large deposits of money in a country where inflation is high and the currency is unstable. This is certainly evidenced by the almost \$40 billion in currency that has left the country in the last 18 years. The government's handling of this group, be it appeasement, co-optation, or repression, will largely determine whether or not business decides to increase its participation in the political arena and push for change. Other groups desiring change, often radical, in the existing political system, are the opposition parties.

D. THE OPPOSITION PARTIES

There are many opposition parties, nine received significant support in the 1985 mid-term elections. The two largest are, on the right, the PAN, and on the left, the National Democratic Front Coalition. The PAN received 16 percent of the vote in the 1982 presidential elections and 17 percent in the 1988 elections. The National Democratic Front Coalition

was created only in early 1988 yet garnered over 31 percent of the vote in the presidential elections. This coalition is lead by Cuauhtémoc Cardenas, son of the former Mexican president. The following sections explore the opposition from both sides of the political spectrum.

1. Politics on the Left

The student-popular movement of 1968 and its bloody repression by the Ordaz government shook the Mexican political system; significant sectors of Mexican society underwent considerable radicalization. The ideology of the ruling elite, often explained as the goals of the Mexican Revolution, began to lose its efficacy to various segments of the population. Among the Mexican intelligentsia, the notion that the Mexican Revolution of 1910 represented an expression of the popular will was greatly weakened by the events of 1968. Many of these intellectuals and a section of the middle class embraced Marxism, although most of the working class and peasantry still believed in the ideology of the Mexican Revolution. The economic and political difficulties of the 1970s opened up new options for the Mexican left and created breaches in the corporatist system of the PRI.

In November, 1981, the Mexican Communist Party (Partido Comunista Mexicano, PCM) dissolved and together with four other parties, established the United Socialist Party of Mexico (Partido Socialista Unificado de México, or PSUM) (Carr, 1986, 3-5). The PSUM however, has not gained a national following and in fact is losing strength. In the 1985 elections the PSUM garnered 353,000 less votes than in 1982 and lost five seats in the Chamber of Deputies (Horcasitas, 1987, 17). In 1988 the PSUM and its candidate Heberto Castillo publicly endorsed Cuauhtémoc

Cardenas and his coalition, the National Democratic Front. In his endorsement speech Castillo stated that

I can see that the people of Mexico desire change, but not as profound, as radical as we are offering in the Mexican Socialist Party. Because of this, they have turned to Cardenas. (Hughes, 1988, 0127)

Cuauhtémoc Cardenas, possessing the first name of one of the greatest Aztec emperors and the last name of perhaps the most revered president in Mexican history, officially accepted the nomination of the Authentic Party of the Mexican Revolution (Partido Auténtico de la Revolucion Mexicana, PARM). He also earned the support of the PSUM as well as other leftist parties and so formed his National Democratic Front. General goals of the front include a change in the debt payment schedule of the foreign debt and a larger role for the government in the economy. The Front consists of (1) the PARM: formed in 1954 by former members of the PRI; (2) the Popular Socialist Party (Partido Popular Socialista, PPS): founded in 1929 with a goal of national socialism; (3) the PSUM and its candidate Castillo; and (4) the Cardenas front (Pichardini, 1988, 1555).

Cardenas, the 54 year old former PRI senator and governor of the state of Michoacan, southwest of Mexico City, was the leader of a minority group within the PRI called the Democratic Current. When the PRI rejected his demands for primary elections to determine presidential candidates as well as other reforms, he left his post in 1986 to accept the nomination of the PARM. Later forming his National Front, he ran on a nationalist and populist platform. Cardenas feels the PRI abandoned the revolutionary goals of social and economic reform along with redistribution of wealth. Although agreeing that international trade

with the U.S. should be expanded, Cardenas feels development of domestic industry has been neglected at the cost of badly needed jobs. Earlier calling for forgiveness of the entire Mexican debt, Cardenas now backs only a suspension of payments under the current arrangements; he is also campaigning for reforms in the judicial system. (Angelo, 1988, 0258)

2. Politics on the Right

Motivated by a desire to protect their financial interests from the encroaching "socialism" of Lazaro Cardenas, many businessmen were among the early founders of the main opposition party of the right: the PAN. As in most political parties, the leading group was lawyers. Bankers were the second best represented group. (Story, 1987, 265)

The PAN is one of the oldest of the legal opposition parties and has emerged as a broadly based opposition. Its political interests span a spectrum from the center to the right. In the past the PAN has been a party of conservative Catholics, big business, and prominent interests in the North; today it attracts support from the urban middle-class, government employees, blue-collar workers, small entrepreneurs, young urban professionals, and slum dwellers. The party's candidate for the 1988 elections was Manuel Clouthier, a 53 year old millionaire and rancher from Sinaloa, a northwestern state bordering the Gulf of California. He ran on a platform in support of the freemarket system, reduction in government control, and increased foreign investment. Additionally, Clouthier supported individual ownership of land (Mexico, 1988, 0201).

The PAN has never had the kind of organization, financing, or membership to support a successful nationwide contest with the PRI for

control of the national government. The PAN persuaded a large segment of Northern citizens that their economic and political welfare depends on the party's increased influence in local and national affairs. (Stevens, 1987, 228) Although gains are most evident in the North, the PAN expanded support in México, Jalisco, Puebla, and in the Federal District. It's gaining strength in Yucatan, Guanajuato, and San Luis Potosi. These states are all in the south central or southern part of the country. The PAN has won a number of local elections; however it has little backing among many poor, Indian and mestizo states in central and southern Mexico and has no following among rural peasantry. The PAN is too strong to be co-opted by the ruling regime and will continue to grow even if the economy rebounds (thereby giving the PRI more legitimacy) (Latell, 1986, 19-20).

E. THE MILITARY

There has been a shift in political relations with the armed forces. Unlike the situation after 1940 where the armed forces had lessening influence in government, civil-military relations are now based on the relative levels of professionalism attained by both the political and military elites. Simply put, the more professional the relationship between the two groups, the less likely the chance of military intervention. (Ackroyd, 1982, 2) The following sections trace the evolution of both military and civilian professionalism.

1. Military Professionalism and Its Effects

When predicting military behavior, at least two models of professionalism can be built. In the first, as military competence

Increases, chances for intervention (here defined as both coups and military governments) decline. New technology necessitating complex military strategy demands much study; there is little time to become involved in politics. This model will be labeled "traditional" professionalism; it seems to closely follow the tenets of the "traditional" professionalism mentioned in Samuel Huntington's book, The Soldier and the State.

A second model argues professionalism may encourage intervention; the orientation of the National Security Doctrine determines whether armed forces in a country will interfere with civilian rule. If military doctrine emphasizes defense against an external threat, there will be no intervention. However, a perceived threat from within, as in guerrilla activity, causes the armed services to emphasize national development and to "train for" positions in government traditionally held by civilians; it may be the duty of the armed forces to replace civilian leadership if that civilian elite is not effective (Ackroyd, 1982, pp. 3-4). This explanation follows the description of "pragmatic" professionalism given by Morris Janowitz in his book, The Professional Soldier and will be so labeled in this study. This "pragmatic" model determines there is no external threat to Latin America; therefore the reason for the military's existence must be protection against the internal threat. If this is true, then the second of the two models of professionalism with its emphasis on an internal or external security threat is the most appropriate for a study of Latin American militaries. (This is not at odds with the discussion of external threat in this thesis as the problems in Central America ultimately impact internally on Mexico).

It would then follow that as professionalism increases among the militaries of the region, the number of coups and military governments will increase. (Ackroyd, 1982, 4) The question then becomes, "How does one explain the lack of intervention on the part of the Mexican military in light of its increased professionalism?" The answer is that in theory, the model does work but must be "refined" for the Mexican case.

A problem with the pragmatic model is its definition of military intervention as simply a coup or military government. If "intervention" can be separated from "participation", that is participation in the decisionmaking processes of the government, the predictive capability of this model for Mexico is increased. One can then say a rise in professionalism brings with it a corresponding rise in participation but a decrease in the probability of a coup (Ackroyd, 1982, 8).

In Mexico, the substantive education of the military elite produces a highly professionalized, effective, and disciplined armed forces (Ackroyd, 1982, 11). Discipline is one of the key "measures" of professionalization (Huntington, 1965, 404) and Mexico has one of the most disciplined officer corps in Latin America (Ackroyd, 1982, 13). Emphasis on this instills in the officer the importance of following the orders and rules of the highest authorities: in Mexico's case the political regime. Military members who criticize the civilian government are quickly retired or moved to undesirable positions (Ackroyd, 1982, 14). The military elite impose the same standards on civilian society. Order and discipline must be maintained; respect for authority is paramount. "Authority is first, since order cannot exist if there is no authority which sustains and imposes it." (Soto, 1975, 47)

The ruling civilian elite takes advantage of this training by co-opting military officers into the existing corporatist system. Top retired officers receive positions in the government retaining both their military and civilian pay. The military as an institution is allowed, by this political elite, to be involved in the decision-making process at both the state and national level. (Ronfeldt, 1976, 295) This can be destabilizing in a multi-party system as the armed forces could split along party lines. And so to the model needs to be added that a number of viable political parties create a threat to the military institution: the greater the threat, the more likely military intervention (Ackroyd, 1982, pp. 16-17). Mexico has not been subject to this threat as only one party has led the government since 1929.

The importance of this cannot be over emphasized in light of Mexico's electoral reform permitting easier entry of new parties into the existing political system. Important also is the consolidation of a number of communist and socialist parties under the umbrella of the National Democratic Front of Cardenas.

The professionalism (level of competence) of the civilian government is also key to the civil-military relationship. However, it is the civilian elites' perceived level of competence (perceived in the eyes of the military) which determines the actions of the armed forces vis-a-vis the political elite (Ackroyd, 1982, 17). It is for this reason the ruling political elite in Mexico must prove their efficacy to top military officers. It follows then that if civilian competence is high, given an advanced level of military professionalism, the relationship between the two will be characterized by an exchange of ideas. On the

other hand, if civilians are incompetent, the military will merely send its dictums to the civilian leaders.

Técnicos, currently led by Carlos Salinas de Gortari, must prove to the military they are effective in guarding against internal instability. The pragmatic model of professionalism, as it pertains to Latin America, sets up the internal threat as the number one problem for the armed forces. As a military elite with a high level of competence (professionalism) sees a civilian regime losing the ability to control this internal threat, intervention becomes more likely. The current ruling elite in Mexico can quell the military's fears in two ways. First, they can demonstrate a capability to control social unrest, caused by shrinking support from an oil-patronage rewards system, through selective repression or co-optation. Secondly, the ruling elite can demonstrate to military leaders the ability to maintain an armed forces, even under austere conditions, capable of quelling uncontrolled uprisings.

There has been an increase in the size, modernization, and professionalism of the Mexican military forces. Troop strength has increased from 80000 to over 129000. The army's force structure and size have changed considerably since the 1960s. In 1960 there were only two brigades. Today there are five (The presidential guard being considered a brigade) with an armored brigade being formed. Of the 68 Infantry battalions, 20 were formed after 1970. (Ronfeldt, 1985, 7) The defense budget was only \$567 million in 1979 (1987 dollars). Today it is over \$1.4 billion (1987 dollars). In 1981 the army had only 72,000 members compared to 95,000 today. All three services have new equipment. The

army has armored Panhard vehicles from France, new indigenous armored personnel carriers, and automatic rifles produced under a license from West Germany. The navy has locally built patrol boats, destroyers from the United States, and frigates from Spain. The Air Force has F-5s from the United States and trainer aircraft from Switzerland (Ronfeldt, 1985, 3).

TABLE 11: MEXICAN ARMED FORCES

Total Armed Forces (1984):	129,000
Reserves:	1,500,000
Defense Expenditure (1987):	\$1.4 billion
Defense Expenditure as % of GDP:	.67
Defense Expenditure as % of CGE:*	2.60
Force level per 1000 population:	1.7
Arms Production:	Infantry weapons; ammunition; AFVs; small naval vessels; light aircraft (World Military Expenditures, 1987, 85)
*CGE = Central government expenditures	

A modernization of the officer himself has also taken place.

Two of the primary "educators" are the Heroico Colegio Militar (HCM), established in 1926, and the Escuela Superior de Guerra (ESG), established in 1932. These schools instill the ideas of discipline, morality, and unit cohesion. All Army officers receive a four-year education at the HCM: 300-350 graduate annually. In 1976, the Mexican government built completely new facilities for the school. Specialist training is at the Centro de Aplicacion para Oficiales de las Armas (Application Center for Military Officers) and advanced professional military education is at the National Defense College, built in 1981. This school provides senior officers courses in national security doctrine and geopolitics. Formerly the highest level of training, the ESG, or Superior War College, now trains officers generally in the ranks

of Lieutenant through Lieutenant Colonel. Courses taught include military strategy and tactics, staff coordination, and foreign attache duty. Air Force officers receive four-year degrees at the Colegio del Aire (Air College) and go on to graduate work at schools abroad, for the most part in the United States. Like both the Army and Navy officers, they attend the Escuela Superior de Guerra and the National Defense College. (English, 1984, 321) The Navy's military academy is at Veracruz and graduates 30-50 cadets a year. Courses are also included for both Marine and Navy fliers.

2. A Greater Role in State Affairs

The military's greater role in the business of the state as illustrated by its participation in decisionmaking at the national level, and its force modernization is a reaction by the current political elite to the increasing pressures of internal instability. This instability is caused by a shrinking of the historically large support base of laborers and peasants. This support base shrunk as the revolutionary goals and populist redistributive system were replaced by an oil-patronage model in the mid-70s. The military, never tolerant of instability or lack of discipline, must be convinced by the técnicos that "things won't get out of hand." One way to do this is to keep the services modernized and properly educated in order to properly respond to any threat.

3. Final Thoughts: The Military

The Mexican armed forces are ever increasing their level of professionalism. Higher level military schools like the HCM and the ESG are not only teaching courses in advanced military strategy but also in public and government administration. It is important for the

civilian elite to realize the significance of this advancement in training and theory.

Government in Mexico must present itself as strong and capable of dealing with any threat to the stability of the country. Assuming the pragmatic model of professionalism applies to the Mexican military, any instability or lack of competence shown by the ruling elite could be met with military intervention. Something that threatens stability in Mexico is the problems in Central America. One of the authors of the Contadora Initiative, Mexico clearly believes that peace in Central America is in its national interest. The following section explores the major actors in that region of the world and how they impact on Mexico.

F. CASTRO, COMMUNISM, AND VIOLENCE IN LATIN AMERICA

With the advent of the 26th of July Movement in Cuba in 1959, along with the principle of exporting revolution, the possibility of communist insurgency and uncontrolled mobilization in Latin America became more likely. Cuba's declared support of the Soviet Union after 1960 provided strong justification for the revolutionary movement of Castro. This allowed him to pursue anti-imperialist policies abroad without having to concentrate on domestic concerns. (Gonzalez and Ronfeldt, 1986, 51) On December 2, 1961, Castro stated "I am a Marxist-Leninist and I shall be a Marxist-Leninist until I die." (Gonzalez and Ronfeldt, 1986, 47)

Castro sought to export the Cuban-style revolution throughout the Western Hemisphere, first concentrating on the Caribbean and Central America, then later South America (Gonzalez and Ronfeldt, 1986, 59). The means to the ends included violence through both frontal attack and

guerrilla tactics. Additionally, Cuba was to be a staging ground for the recruitment, support, and training of guerrillas (Gonzalez and Ronfeldt, 1986, 122). Almost every country in Latin America has "alumni" from the three to six month "schools" in Cuba (Department of State, 1985, 10).

Being the self-appointed leader of the revolutionary left, the Cuban strongman maintains close contact with radical and guerrilla movements in the individual Latin American countries. (Gonzalez and Ronfeldt, 1986, 42). Violence and uncontrolled mobilization, brought on by (1) the huge disparity between the "haves" and "have-nots" and most probably exacerbated by (2) communist influence centered in Havana, were characteristic of Mexico between 1968 and the mid-1970s.

1. Terrorism and Guerrillas: Mexico's Struggles from Within

By the late 1960s, segments of the Mexican population decided more forceful measures were needed to reinvigorate efforts toward achieving the goals of the 1910 revolution: most specifically that of redistribution of wealth. Urban guerrillas received support from both students in the universities and the landless peasants in their efforts to "redistribute the wealth." Student support manifested itself in public demonstrations and denouncements while peasant support included food and shelter. (Williams, 1977, 50) Guerrilla activity was most pronounced during the early 1970s as the economy of the country collapsed.

TABLE 8: MEXICAN TERRORIST GROUPS OF THE 70'S

1. Liga Comunista 23 de septiembre; 23rd of Sept Communist League named for date of a raid on a Chihuahua army base in 1967 (Bloom, 1976, 32). Founded and led by Demetrio Torralva Alvarez until his capture June 1975 (Crozier, 1974, 110).
2. ACNR; Asociacion Civica Nacional Revolucionaria; National Civic Revolutionary Association. Founded in 1968. (U.S. Congress, 1974, 24)
3. MAR; Movimiento de Accion Revolucionaria; Revolutionary Action Movement. Group received guerrilla training in North Korea at training camps reported to be Soviet KGB operations. (U.S. Congress, 1974, 24)
4. UP; Union del Pueblo; Union of the People; Maoist terrorist group broken up in 1972. (U.S. Congress, 1974, 24)
5. LCA; Liga de Comunistas Armados; League of Armed Communists. Activities confined to Mexico City and Monterrey. (U.S. Congress, 1974, 24)
6. FUZ; Frente Urbano Zapatista; Zapata Urban Front. Specialized in robbing banks in Pueblo and Monterrey. (U.S. Congress, 1974, 25)
7. FRAP; Fuerzas Revolucionarias Armadas del Pueblo; People's Revolutionary Armed Forces. Followers of Trotskyist theories. (U.S. Congress, 1974, 25)
8. Partido de los Pobres; Poor People's Party. Active in southwest area of Mexico, vaguely Marxist in content. The founder, Lucio Cabanas, killed by army troops, is a folk hero to Mexicans. (U.S. Congress, 1974, 25)

The guerrilla activity that took place during these years manifested itself in the form of bank robberies and kidnappings. These guerrillas kidnapped and later killed prominent figures in both business and politics. Among the political figures were then US Vice-Consul John Patterson and British counsel Anthony Duncan Williams. Bank robberies, such as the 2.4 million pesos taken in 1974, were used to finance activities of the various groups.

The army's apparent inability to halt the terrorism was of great concern to the ruling elite. Uncontrolled, these terrorist acts could have initiated riots in the streets and the possible mobilization of large segments of the population. Additionally, the military could have felt the need to intervene in the affairs of the regime, blaming them for the problems of society that fostered these guerrillas. The military believed security was a precondition for stability, which was a precondition for development. If Mexico was to continue its impressive growth, security would have to be regained. Of great concern was the defense of the oil fields, in the central and southern parts of the country, and the maintenance of stability in Mexico City.

The potential for Mexico to guard the oil fields is clearly limited. The military is concentrated in Mexico City with various battalions scattered throughout the country. The army could deal with a disturbance in either the oil fields or Mexico City but not both (Ronfeldt, 1985, 24). Mexico City is potentially unstable with approximately 20 percent of the entire population of the country (84 million) crowded into an area that realistically should be supporting less than 10 percent. There is not enough water to adequately supply the city now; water rationing is an everyday, year-round occurrence for all social classes. Although at a high elevation, Mexico City is in a valley which traps all vehicle pollutants causing some of the dirtiest conditions in the world. Projections for the year 2000 put the population at five million beyond what the natural resources in the area could minimally support. Mexico City is among the five most polluted cities in the world; the transportation and social services are stretched

to the breaking point. Yet every year, the outer boundaries of the city expand as peasants from the rural areas move into the shanty towns surrounding the center of the city. With a total military force of only 129,000, any defense of the oil fields due to terrorist acts would leave Mexico City unprotected and unsupervised. This could lead to uncontrolled mobilization and possible splits in the ranks of the elite.

Mexico is fearful of a return to the terrorism of the 1970's. There are bigger targets now than prominent businessmen or political figures; there are the oil reserves. The oil fields represent the economic and psychological lifeline of the country. They have allowed Mexico to become a more prominent member on the world stage. Partly for this reason, Mexico maintains diplomatic relations with Cuba even when faced with gestures of disapproval from the United States. It was the only Latin American country to maintain ties with Cuba in the 1960s. Fidel Castro attended the inauguration of Salinas in December 1988, his first return to the country since 1956. Through its recognition of Castro, Mexico feels the Cuban leader will keep his communist-sponsored terrorism confined to other parts of the hemisphere, most likely Central America.

2. Central America

By the early 1980s, the Sandinista overthrow of the Somoza government, and domestic conflict in El Salvador caused concern among the Mexican elite (Karl, 1986, 274). Initially, Mexico supported the concept of non-intervention and self-determination in the region, although not due to any altruistic concern. Progressive elements within the regime were afraid of what a defeat of the rebels in El Salvador and

the government of Nicaragua due to U.S. intervention would mean. Conservative elites would see concessions to other political and economic interests increasing unnecessary as the U.S. would solve any problems if uprisings did occur. These more progressive elites realized such concessions were necessary to power groups, but they wanted to gauge how much. (Farer, 1985, 64) It was soon painfully evident, especially in the cases of Nicaragua and El Salvador, what had started as a populist, leftist movement had quickly transformed itself into a communist insurgency promising to destabilize the region more so than rising expectations on the part of the Mexican elite.

a. Nicaragua

When the Sandinista National Liberation Front (FSLN) overthrew Somoza in July 1979 they pledged "free elections, political pluralism, a mixed economy, and a non-aligned foreign policy." (Department of State, 1985, 19) The realities have been completely different; Nicaragua is under communist influence. The national industrial and agricultural base, as well as the banking system, are now under state control. The media is censored on a daily basis; neighborhood watch committees and informant networks manage to intimidate the general populous. Over 120,000 Nicaraguans have left the country due to poor management of the economy and human rights violations (Department of State, 1985, 20). What is of greater concern for peace in Central America and the Caribbean however, is the massive buildup of the Nicaraguan fighting forces facilitated by Soviet and Cuban involvement.

In February 1981, the FSLN announced the planned formation of a 200,000 man force to defend the country against counter-revolutionaries (Department of State, 1985, 21). This was of concern to Mexico as the size of the Mexican military in 1981 numbered approximately 125,000. Immediately after deposing Somoza, the Nicaraguan army had three tanks, 25 armored cars, seven helicopters, and three artillery pieces. As of 1985 the numbers in the inventory show 340 tanks and other armored vehicles, in excess of 70 howitzers and rocket launchers, and 30 helicopters. Included in the armored-vehicle total are 110 Soviet-built T-55 medium tanks and 30 PT-76 light tanks. The T-55s are more powerful than anything else available in Central America; the PT-76s are amphibious and capable of river crossings. The helicopter inventory now includes the Mi-24 HIND of the Soviet Union. The Mi-24 is one of the fastest helicopters in the world and from Nicaragua, could attack targets in Honduras, El Salvador, and Costa Rica.

Soviet and Cuban investment in infrastructure has been no less "impressive." Over \$100 million has been invested in the Nicaraguan economy with \$70 million of that for military construction (Department of State, 1985, 27). Although investment by the Soviets and Cubans in Nicaragua decreased from the initial high numbers, the overall emphasis on this Central American country illustrates the importance of this country for communism as another "Cuba" in the Western hemisphere. In 1982 Brezhnev recognized the "imperialist threat to Nicaragua." In 1983 and 1984, Andropov and Chernenko took up where Brezhnev left off and Pravda condemned the "American policy of aggression" in Central America,

especially Nicaragua. (Central American, Caribbean, Contadora Group, pp. 150-151)

Mexico showed its support for the Sandinistas in 1979 not only through its foreign policy rhetoric but also by providing oil at virtually no cost or with extremely easy credit terms. What is more important to note than the original support for the FSLN is how quickly this support was withdrawn in the wake of the obvious communist influence and hegemonic aspirations of the Nicaraguans. Mexico, upon de la Madrid assuming the presidency in 1982, attempted to remain low profile in its support of Nicaragua. The new Mexican president stopped public pronouncements in support of the revolution and curtailed visa privileges for rebel groups. Mexico requested payment on oil shipments and by the fall of 1983 the Sandinista government had to pay interest on loans (Karl, 1986, 285). Communist influence in El Salvador is no less a worry to the Mexican elite.

b. El Salvador

About the same time the Sandinistas took power, indigenous guerrillas in El Salvador began receiving logistical aid from the Nicaraguan government. The principal method for supplying the guerrillas was via a land route originating in Nicaragua and passing through Honduras (Department of State, 1985, 34). The sea supply was accomplished after dark by using boats powered by outboard motors. Small planes supported the air routes by flying low-level, landing at isolated airstrips in El Salvador, or making air drops (Department of State, 1985, 34). These guerrillas tried to get the people of El Salvador to ignore the democratic elections of 1982 that had come about as a result

of a military overthrow of an authoritarian government in October 1979. When persuasion did not work, the guerrillas responded with violence. These military actions were extremely potent as support was received not only from Nicaragua, but also Vietnam (U.S. made M-16s), Libya, and Cuba.

Castro brought the various guerrilla factions from El Salvador to Cuba shortly after General Romero was overthrown in 1979 and convinced them unification was the only way to achieve their goals. This was the beginning of the Farabundo Marti National Liberation Front (FMLN) and a parallel group, the Democratic Revolutionary Front (FDR) (Department of State, 1985, 32). The FDR, which united with the FMLN in April, 1980, was made up of Christian Democrats, Social Democrats, Independents, peasants, and popular organization (Diskin, 1986, 58).

The initial goal of the FMLN was the destruction of the democratic regime in power; to that end an "offensive" was launched in January, 1981. The effort failed as the FMLN did not receive the support of the Salvadoran people. A subsequent goal of the guerrillas then became the destruction of the economic structure of the country. The means to this end included destruction of bridges, electrical generators, and cash crops. Between 1980 and 1984, the guerrillas caused over \$1 billion in damages (Department of State, 1985, 33). Besides destruction of key economic infrastructure, the FMLN use disinformation to topple the Salvadoran government. This disinformation campaign was used to (1) win the hearts and souls of the people and (2) sway opinion in the United States against the ruling party.

Mexico originally supported the FMLN-FDR, lending political and logistical support. Mexico City recognized the guerrilla coalition, through public pronouncements, as a legitimate opposition group; they extended visas to the group with offers to visit Mexico for discussions. As the government violence and death squad activity escalated, the Mexican ambassador was withdrawn as a sign of support for the opposition guerrillas. On 28 August, 1981, President Portillo sent a communique to the United Nations, coauthored by Mitterand of France, which urged recognition of the FMLN-FDR as "representative political forces." Portillo tried to "facilitate an understanding among the representatives of the opposing political forces in El Salvador with the aim of reestablishing peace in the nation...." (Karl, 1986, 276) This had the effect of granting legitimacy to the opposition while at the same time calling for a peaceful settlement. However, by late 1982 and early 1983, Mexico curbed public discussions of support for the FMLN and curbed visa privileges. It can be argued the reason for Mexico's policy reversals in the case of both Nicaragua and El Salvador was in large part the financial crisis in late 1982 when Mexico ran out of foreign reserves. The country turned inward in an attempt to stem the rising tide of domestic unrest; foreign policy became a lower priority. Whether due to increasing Marxist-Leninist influence in Central America and subsequent elite concern, or debt repayment problems including increased U.S. pressure for economic reform, the Mexican regime withdrew its support for the government of Nicaragua and curbed its enthusiasm for the guerrillas in El Salvador. Important however, is the fact Mexico became actively involved in the region due to a concern that the militarization

of Central America threatened the "preservation of territorial integrity and national sovereignty." (Karl, 1986, 274)

G. FINAL THOUGHTS: CHALLENGES TO THE MODERN MEXICAN STATE

Mexico faces challenges to its one-party system of rule and the accompanying patronage system. However this is not something new or unique. The regime, through six decades of growth has faced one or more of the challenges listed above and responded each time. The key to the longevity of the state has been its flexibility. Some combination of repression or cooptation has always turned away the challenge. But today the situation is somewhat different; the regime is showing signs of breaking under the strain. The strain is perhaps due to a critical mass of these challenges; the signs of this strain are the topic of the next part of the paper.

IV. ALTERNATE SCENARIOS FOR TRANSITION AND THE DECLINE OF REGIMES

"The era of virtually only one party is ending, and we are entering now a new political stage." (Aguilar, 1988, 0010) These words, uttered by Carlos Salinas de Gortari, clearly signal a change in the Mexican political system. That there will be some type of change in the corporatist and authoritarian political structure of Mexico seems undeniable. But what type of change will it be: structured or revolutionary; dictatorship or democracy? What is best for the United States? Washington clearly has an interest in this change as it has close ties, both economic and social, with Mexico; changes in authoritarian regimes with ties to the United States have not always benefitted the U.S.

The 1973 military uprising which deposed Haile Selassie of Ethiopia gave the Soviet Union great influence in the Horn of Africa. Coups in Afghanistan in 1978 and 1979 again expanded soviet influence, this time in southwest Asia. Shiite fundamentalists overthrew the Shah of Iran in 1979; in the process they held American hostages for over 400 days, hastened the demise of an American president, and started a bloody war with Iraq which only in mid-1988 wound down. In the Western Hemisphere, Nicaragua in 1979 provides a good example of a change in an authoritarian regime unfavorable to the United States. It is obvious no whistles blow or buzzers sound in some central control panel at the United Nations when a country is about to make a change in government. But are there trip wires or evidence of unrest which might give forewarning? Could these

signs aid the United States in assuring a transition favorable to U.S. national interests?

Many theories have been developed that attempt to predict or explain transitions in government. Marxist theory emphasizes the conflict between capital and labor. A modern adaptation of this concept to Latin America has been the focus of the ruling regime on either equitable distribution of wealth or high efficiency in production. Dependency theory contends the reliance of "periphery" countries on those of the "core" causes irregularities and distortions in the economies of the periphery. These anomalies cause inequitable distribution of income and foster violence and conflict in these countries on the exterior. (Adelman, 1982, 593) Other theorists expand the variables to include other than economic ones.

One of the theories encompassing more than economic factors is the "rank disequilibrium" idea of political change. Different classes are ranked as to their social, economic, and political status. Whenever the relative position of a group or class is not the same on these three different scales, attempts at change will be made to equalize the rankings (Adelman, 1982, 595). Another theory proposes that the stagnation of Import-Substituting Industrialization in a country causes an educated and technocratic business class to fight for change. In order to protect rising political and economic expectations, this business class attempts to impose conservative policies conducive to foreign investment and capital accumulation through an alliance with the military leaders in the country. (Adelman, 1982, 594)

All of the above theories highlight a plethora of variables to be used when determining what type of change might take place when in which country. The use of such variables in predicting specific changes in individual countries at designated times seems to be of more value after the fact than before the event occurs; hindsight is 20-20. Of possible value to U.S. policy makers with regards to Mexico is a specific checklist with predictive capabilities. A checklist has evolved out of symposia held at the Center for the Study of Foreign Affairs at the U.S. State Department. By applying this checklist to the specific case of Mexico, it becomes apparent that change, be it evolution or revolution, will take place. Some insights can also be gained into the type of regime that will result and the implications for U.S. policy. The following sections superimpose the basic checklist developed from the symposia on the current situation in Mexico. (Binnendijk, 1987, pp. 153-164)

A. THE DECLINE OF AUTHORITARIAN REGIMES: A BASIC CHECKLIST

Authoritarian regimes go through a protracted period of unrest lasting anywhere from five to ten years or perhaps even longer before a change in leadership takes place. This unrest unfolds in three stages. The first stage is initiated by a specific event usually easy to identify; El Salvador elected Jose Napoleon Duarte as president in 1972 but he was not allowed to take office. Stage two marks the loss of legitimacy of the government and is forewarned by a list of seven danger signals; Argentina's ruling military government lost legitimacy along with the Falkland Islands. The third stage is the last rapid decline;

when the senior military leaders of the Marcos regime defected, Marcos' time as ruler of the Philippines had come to an end. Mexico's authoritarian regime has just entered the first stage of decline as characterized by an easily recognized event. The event triggering the decline was the presidential elections of 1988.

1. Stage One: A Specific, Easily Recognizable Event

Beginning with the 98 percent of the popular vote received by Cardenas in the 1934 elections, no Mexican president had received less than 70 percent support among voters. The largest percentage received by an opposition group was just under 16 percent; the total for the rest of the opposition has not reached ten percent since 1952. The abstention rate, having climbed to almost 40 percent in 1976 when the PRI ran virtually unopposed, was approximately 30 percent in the 1982 elections. The following table highlights election results from 1934 to 1982.

TABLE 9: ELECTION RESULTS 1934-1982

Year	% votes for PRI	% votes for PAN	% votes for all others	Turnout % among eligible adults
1934	98.2	—	1.8	53.6
1940	93.9	—	6.1	57.5
1946	77.9	—	22.1	42.6
1952	74.3	7.8	17.9	57.9
1958	90.4	9.4	0.2	49.4
1964	88.8	11.1	0.1	54.1
1970	83.3	13.9	1.4	63.9
1976	93.6	—	1.2	59.6
1982	71.0	15.7	9.4	68.2

(Cornellius and Craig, 1984, 438)

The presidential elections of 1988 marked a dramatic change in the heretofore predictable election results.

The apparent unity of the left shown by Cardenas and his National Democratic Front and the continuing support for Clouthier, the candidate for the PAN caused concern within the ranks of the PRI. A popular vote total of 70 to 80 percent of the electorate would not be accepted as legitimate by foreign observers or the general population. Yet a total of only 50 to 60 percent of the popular vote would be politically embarrassing to a regime that in large part bases its legitimacy on receiving an overwhelming majority of the votes in any election. Also possible was a loss of some of the 64 senate seats which before 1988 were held only by members of the PRI. In the House of Deputies a complicated voting system almost guarantees the PRI a majority of the 500 seats, but large losses would be again politically embarrassing. The actual results were far worse than the PRI had ever expected.

Out of the July 6th election came startling news. Salinas received only 50.74 percent of the popular vote while Cardenas tallied 31.06 percent and Clouthier garnered 16.81 percent. Political analysts believe that in a corruption-free election Salinas would probably still have been the victor but with only 40 percent of the popular vote at best. (Branigin, Mexican Congress Declares..., 1988) The PRI now holds only a 262-238 majority in the House of Deputies; 137 of the opposition seats are National Democratic Front and 101 are for the PAN. For the first time in Mexico's history, 4 seats of the upper house went to the opposition, specifically to the National Democratic Front (Herzfelder, 1988, 0052).

The PRI holds a majority in both the House and the Senate, and its candidate has been ratified by the Electoral College as the

president of Mexico. Yet it is clear that the presidential elections of 1988 were a break with the past. The decline of the current system of Mexican corporatism has begun. It is not clear how long the decline will last. In Iran it was nine years, in Haiti six, and in Argentina, approximately eight. (Binnendijk, 1987, 154) The middle stage of the decline in all these countries was characterized by a loss of legitimacy for the government forewarned by a combination of any of seven variables.

2. Stage Two--Loss of Legitimacy: Possible Early Signs

Problems in a country do not always mean the overthrow of an authoritarian system. As long as the country has control of both the military and the economy, power can remain with the ruling political elite (Binnendijk, 1987, 154). But once those who control these elements of power no longer are the ruling elite (such as military or business leaders), a quicker-paced period of decline is initiated. This period usually lasts from 18-36 months and is evidenced by a combination of any of the following seven variables.

a. Physical and Mental Health of the Leader

The Shah of Iran's cancer, Marcos' kidney problems, and Somoza's heart attack all contributed to an appearance of weakness and indecision in the last days of rule for these men. A deterioration in the physical and mental well-being of the ruler, or death, is probably the most important sign of decline in a regime and greatly contributes to its loss of legitimacy. (Binnendijk, 1987, 155)

Since 1928, Mexico has never had a president die in office or resign his post for health reasons. Carlos Salinas de Gortari is apparently in excellent health. An accomplished horseman, he enjoys

tennis and runs three or four times a week. What makes the Mexican system vulnerable is the lack of a clearcut successor should Salinas become ill or die in office. The apparent difficulty with which the ruling elite rallied behind Salinas when picked by de la Madrid could indicate trouble in picking a replacement should he leave office early. Conservative members of the party wanted an end to the picking of técnicos such as Portillo and de la Madrid whose fiscal policies had hindered growth and whose political ideals had created openings for the opposition. More reformist minded elites agreed with the choice of the technocrat Salinas and saw it as a continuation of liberal economic policies and fiscal austerity along with recognition of opposition victories, at least at the local level.

b. Poor Management of Military Operations

Loss of legitimacy comes with an inability to manage one of the powerful tools of a country's power, the military. Under Marcos' leadership, the communist insurgents in the Philippines strengthened their foothold; the Argentinian Junta lost most of what was left of its credibility with the defeat in the battle with the British over the Falklands. Although considered to be one of the least politically motivated armies in Latin America, the Mexican political elite are very aware of the need to support their armed forces. Instability in Guatemala poses a threat to Mexican sovereignty. In Guatemala between 1966 and 1982, over 30,000 political dissidents died at the hands of paramilitary death squads. This killing generated both guerrillas to fight the death squads and emigrants to flee them. The guerrilla groups responded to the repression of the death squads by fighting back,

attacking not only the paramilitary squads but also government troops. Much like the North Vietnamese pilots in China during the Vietnam war, the guerrilla groups use southern Mexico, mainly the state of Chiapas as a safe haven and a marshalling point for planning future attacks. (Ronfeldt, 1985, 26) This warfare is of extreme concern to Mexico.

As outlined earlier in this thesis, Mexico has a history of guerrilla uprisings in the southern part of the country. The military did not decisively defeat this threat and does not want to see the tensions rise again in the region. Repeated requests to enter sovereign Mexican territory in pursuit of guerrillas, constantly denied by Mexico, exacerbate the poor condition of government relations; some border incursions have been reported. (Ronfeldt, 1985, 26) Any military losses by Mexico, most likely through inept handling of a guerrilla threat to Mexico City or the oil fields, could be seen as a lack of good leadership from Mexico City.

De la Madrid appointed several retired generals to top civilian posts, and included military contingents in parades where they do not normally appear. He gave military modernization and expansion a high priority despite budgetary restraint. On various occasions he praised the military: once as the cornerstone of internal stability during the period of uncertainty at the start of his term, and later as the guardian of society. In 1983, he approved substantial pay increases for officers (Latell, 1986, 29-30). The military is high on his priority list. There are no indications yet as to where Salinas stands on this issue.

c. Economic Malaise

The third warning sign signalling loss of legitimacy is economic problems in the country. In every authoritarian regime studied by the Center for the Study of Foreign Affairs, there was evidence of economic problems. The famine in Ethiopia, negative growth rates in Iran after sustained periods of growth, and over 100 percent inflation in Argentina all preceded a change in leadership. Rising expectations of the nation during periods of accelerated growth turn to frustration and anger during periods of decline.

By the beginning of 1988, Mexico experienced near negative growth rates, over 150 percent inflation, and a foreign debt that stood at well over \$100 billion. Payments on the foreign debt amount to between 60 and 70 percent of the export revenues which severely restricts potential growth. Near-term remedies would reduce the government sector and do away with inefficient industries: many jobs would be lost in a country generating only half those it needs on an annual basis. Minimum wage does not keep up with inflation and the middle class is severely taxed to support social programs. Mexico is a country in economic trouble.

d. Alienation of Leadership from the People

No government, not even an authoritarian one, can rule without the support of at least some segments of society. The PRI's traditional strongholds of support have been in the working classes and the peasantry yet these sectors have been hit hardest by the economic problems in the country. Although Fidel Velasquez, head of organized labor in Mexico and a strong supporter of the PRI, has managed to hold

labor in line with the PRI, he warned in 1983, "Only out of discipline do workers vote for the PRI." (Carr, 1986, 5) The reason for labor's discontent is outlined in the following table.

TABLE 10: REAL WAGES IN MEXICO CITY, 1976-1983

Year	Nominal Minimum Wage	Real Minimum Wage	Changes Relative to 1976	Consumer Price Index 1976 = 100
1976	96.7	96.7	---	100.0
1977	106.4	84.42	-14.8	129.1
1978	120.0	80.59	-16.8	148.9
1979	138.0	77.31	-20.1	178.5
1980	163.0	70.53	-27.1	231.1
1981	210.0	68.51	-29.2	306.5
1982	364.0	61.16	-36.8	595.1
1983	455.0	76.45	-21.0	595.1

(Alvarez, 1986, 49)

e. Corruption and the Abuse of Power

Widespread corruption and the blatant abuse of influence and position can contribute to the overthrow of a regime. Although not immediately a factor in a change of government, abuses in the Philippines and Argentina gradually fomented discontent. Marcos' abuse of government funds and his alleged involvement in the death of Corazon Aquino's husband contributed to his downfall. The brutal torture and deaths caused by groups supported by the military junta in Argentina were some of the "straws" that broke the back of that military government.

Some corruption and abuse of power has in the past been accepted in the Mexican political system. In 1976, President Echeverria greatly devalued the peso just before leaving office. In 1982, President Portillo nationalized the nation's banking system. And again during the term of de la Madrid, the peso was devalued significantly. A

substantial percentage of ballots (generally about two percent) are invalidated each election due to "irregularities." Although apparently not receiving the majority of support in the northern states, the PRI has never lost a gubernatorial election. In a very matter-of-fact way, political analyst Jorge Castañeda said "A Salinas administration would be stronger if it came in with 52 percent or 53 percent of the vote than it would with 60 percent or 70 percent." (Orme, 1988) President Salinas himself confirmed the presence of election tampering when he said in an address to the Congress in April, 1988 that the system of politics needed to stop "obsolete and vice-ridden electoral practices." (Orme, 1988) Although this type of pronouncement is not unique, (de la Madrid promised to end government corruption during his administration), the apparent passive toleration of corrupt government actions seems to have come to an abrupt end.

During the process of certifying the presidential elections in August, 1988, opposition members of the Congress tried to examine the millions of ballots being held in the Legislative Palace. They had to be stopped by armed federal troops carrying automatic weapons. (Badillo, 1988, 0012) Opposition candidate Cardenas asked the Mexican Attorney General's office to bring charges against Interior Minister and Election Commissioner, Manuel Bartlett Diaz and his secretary Fernando Elias Calles for "hiding information on the electoral results." More than a week after presidential election, results had not been released from over 24,000 polling places (Anderson, 1988. 0348)

In perhaps two of the greatest demonstrations of the lack of toleration for corrupt practices in Mexico, chaos broke out during

President de la Madrid's last state of the union address to his country on September 1, 1988, and during the Inauguration of his successor on December 1 of the same year. Members of the opposition rushed to the podium during de la Madrid's speech and ripped up both copies of the Constitution and a special finding written by PRI members that certified Carlos Salinas as the clear winner of a fraud-free election. Opposition members staged a walkout and carried with them supposed burned and invalidated ballots. De la Madrid was constantly bombarded throughout his three hour speech with catcalls and shouts of "Fraud", "Traitor", and "Get out, Judas" from the Democratic Front. Additionally, the president of the Front was kicked and hit in the back of the neck by two PRI governors. (Herzfelder, 1988, 0052) During the Inauguration of Salinas, authorities had to remove 200-300 protesters by bus from the front of the Legislative Palace. Protesters had thrown rocks at the building while shouting "Death to Salinas!" and "The death of democracy." Cardenas called the Inauguration the consummation of an illegitimate presidency (Snow, 1988, 2134). Mexico clearly presents evidence of the fifth warning sign of a loss of leadership legitimacy and a period of rapid decline.

f. Opposition Coalitions

A sixth warning sign of an impending loss of legitimacy for a regime is a union of heretofore fractious and divisive opposition parties. Although perhaps not permanent coalitions, these groups unite just long enough to replace the ruling political elite. As with a number of the other warning signs, this pattern was evident in Iran, Argentina, the Philippines, and Haiti.

Before the 1988 presidential elections in Mexico the political left had presented at best fractured opposition to the PRI. The PSUM was the closest approximation to a united front against the ruling party. The National Democratic Front coalition changed all perceptions of the Left. Lorenzo Meyer, a political analyst, said of Cardenas and his coalition, "A year or so ago you could have written off the left, but the Cardenas candidacy has completely changed that." Meyer feels the Left's message of less government and less big business has struck a responsive chord in many Mexicans. While it remains to be seen if the Cardenas Front will remain a political force after its surprise showing in the July 1988 elections, the results seem to indicate more than a large no vote for the PRI.

Cardenas has not disappeared from the Mexican political scene or been neglected by the international media. The son of the former president stated he will transform his Democratic Front coalition into an official party and ask for recognition from the government some time after an organization meeting in February, 1989 (Snow, 1988, 2134). He recently gave an interview to the Overseas Development Council, a private organization dealing with third world problems. The American press covered the discussions and cable companies in the U.S. broadcast the exchange. The Salinas administration felt it necessary to invite heads of state to the December presidential inauguration ceremonies in an attempt to legitimize a close and, according to Cardenas and Clouthier, fraud-ridden election. This was the first time in the history of the PRI that foreign leaders have attended such a ceremony in Mexico. Cardenas takes himself seriously, the international press considers him important

enough to devote newsprint to, and Salinas considers him enough of a threat to change the inauguration format. Perhaps most interesting to note is that in a country where there are three viable political parties competing in an election decided by direct vote, 34 percent is all that is needed for victory. Cardenas received 31 percent after a hastily put together campaign with little financing or national exposure. Like his father before him, Cuauhtémoc Cardenas and his National Democratic Front are likely to have a great impact on the Mexican political system.

g. Military Divergence from Elite Ideals

The final warning signal when assessing whether a regime is losing its legitimacy is a lessening of support from the military. When faced with choices and situations that could undermine the institution, such as an economic crisis or unpopular orders for handling of civilians within their own country, professional militaries often react to preserve their way of life. Chile's overthrow of a leftist (although elected) government and the armed forces' reaction to economic crisis in Brazil are just two of the many examples to be found in Latin America.

Ironically, one of the events precipitating the strengthening and modernization of the Mexican military was the Tlatelolco confrontation with student demonstrators in 1968. In a move to enhance its image and strengthen its forces the push began for force modernization and education. (Ronfeldt, 1984, 1) Although specific details are not known, it appears the military is taking on a more integral role in the managing of the Mexican state. Even though supporting the government through the accomplishment of various roles, top officers are being trained for the possible necessity of replacing

civilian leadership if needed. (Ronfeldt, 1985, 11) Any sign, though none is as yet evident, of a lessening of support for the government could be a sign of major changes in leadership.

This concludes a discussion of the warning signs associated with the second stage of decline in a regime: the government's loss of legitimacy. Combining this with the already discussed stage one and the following discussion on the final transition, a graphic representation can be constructed of the checklist used to track a changing Mexico.

Stage 1: A Specific, Easily Recognizable Event

- 1988 Presidential Elections

Stage 2: Loss of Legitimacy

- Physical and Mental Health of the Leader
- Poor Management of Military Operations
- Economic Malaise
- Alienation of Leadership from the People
- Corruption and the Abuse of Power
- Opposition Parties
- Military Divergence from Elite Ideals

Stage 3: The Final Transition

- Nature or Type of Transition
- Past History of Democracy
- Structures Necessary to Support a Democracy
- Abilities of the New Leaders

Figure 2: The Decline of Mexican Authoritarianism: A Checklist

The following section discusses the third stage of transition and how different elements will affect the type of regime that emerges.

3. The Final Transitions of Authoritarian Regimes

Mexico is in stage one of a transition from an authoritarian form of government. There are many signs of stage-two warning signals which would indicate a loss of legitimacy for the ruling body and initiate a

rapid deterioration of the present government. The question of interest for the United States is not if the ruling body will change, this seems to be a foregone conclusion, but into what type of ruling body the country will evolve. Will it be a democracy, a dictatorship, a more open form of corporatism, or something else? There are four variables, the analysis of which will help determine the future political direction for Mexico. They are (1) the nature of the downfall of the current government: violent or controlled, (2) a past history of democracy or a supporting country with that inclination, (3) the institutional structures necessary to support a democracy, and (4) the abilities of the new leaders (Binnendijk, 1987, pp. 159-160). These four variables are explored in the following sections.

a. The Nature or Type of Transition

The ways in which a leader can give up power vary from the violent to the controlled. Logically, the more serious the extent of change, the greater the chance for a violent upheaval. During radical change, often revolutionary and uncontrollable, moderates are removed from positions of power in a blood-letting that destroys all existing political and military institutions. Often politically inept, the new leadership is extremely ideological and can be stridently anti-American, especially if the previous government supported U.S. policies. A less extreme version of this revolutionary change preserves some of the old political and military institutions, often using military support to uphold the change in government. This new leadership is more pragmatic with more political experience and much less of the ideological zeal characterizing the previous type of transition. It seems unlikely

Mexico will experience a violent or radical change in government. Elite and peasant alike do not want to revisit the carnage of the 1910 revolution.

Another type of transition is a military coup; this does not seem probable in Mexico. The dominant political entity prior to a coup is usually the military and this is not the case for Mexico. A fourth and final type of change is one in which the authoritarian leaders themselves initiate the process of transition. (Chalmers, 1986, pp. 390-395) Interested in developing the economy and improving society, key military or civilian leaders start a liberalization process. Often this liberalization is a result of the highly skilled and professional middle class. In the case of radical revolutionary change or a military coup, democracy seldom prevails. So too the foreign policy interests of the United States are not furthered. However, Washington has met with some success when social and political institutions of the old regime are at least partially preserved, making for an orderly transition. This would be the case when (1) revolutionary leadership moderates its ideological fervor as in the second example or (2) the authoritarian leadership itself initiates the change, as in the fourth example (Binnendijk, 1987, pp. 157-158). Another key determinant of regime type, besides type of transition, is whether or not the country has a past history of democracy.

b. A Past History of Substantive Democracy

If a country has a political history which legitimates the government through, consent of the masses, a belief that no one person is permanently superior to any other, and a great respect for the opinions

and worth of the individual, a democratic regime is more likely after transition for an authoritarian regime. This is to say the emphasis in society is on (1) the individual and his attempts to satisfy self-interests and (2) the limitation of government to ensure the liberty and rights of the population as a group. Thomas Jefferson once said government should be

...a wise and frugal government, which shall restrain men from injuring one another, shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned. This is the sum of good government, and this is necessary to close the circle of our felicities. (Malone, 1970, 22)

In this society, competing elites are positioned and removed from office through competitive elections. To this end it is important that control of the government by one group of elites does not negate the interests of the opposition nor permanently negate the possibilities of that opposition from assuming the reigns of power. These competing elites realize they have mutual interests that could not be furthered by civil war or anarchy. This type of society, and the values contained within, are not part of Mexico's political heritage.

Mexico does not have a history of democracy. Although the sexenios vary in their inclusiveness and openness, all have been authoritarian and corporatist. Mexico has been ruled through presidential decisions influenced, but not controlled, by interest groups not individuals. The corporatist system operates more on the basis of one dollar = one vote and respects the opinions of the group, not the individual. The opposition elites forever remain the opposition, with no chance of assuming power, at least at the national level.

In addition to having a history of substantive democracy, the support and backing of a powerful ally with a democratic tradition aids in any transition to democracy. This ally is used as a role model and an example of the benefits of this type of government. In format and theory, the structure of Mexican government is patterned after the United States. There is a Senate, a House of Representatives (called a Chamber of Deputies) an executive branch, and a judiciary. There are popular elections with the results ratified by an electoral college (a committee made up of members of the Chamber of Deputies and the Senate). Yet the similarities end there and in practice Mexico does not look to the U.S. as its role model. Although Mexico and the United States are allies, and the U.S. provides much needed economic support, the history of conflict, envy, and at times even hatred between the two countries precludes Mexico from using Washington as an example of a country to emulate. Not only does Mexico not have a history of democracy or a supportive role model, neither does it have the necessary institutions to support a post-transition democracy.

c. Structures Necessary to Support a Democracy

To develop a post-authoritarian democracy, countries not only are aided by a history of democracy but also by a firm foundation from which to rebuild it. This foundation consists of those institutions, groups, and ideals which facilitate and foster a democratic environment. Important group structures aiding in democracy building, or rebuilding, include a viable opposition, free press, competitive elections, and a growing and politically aware middle class.

Formally, many of these institutions are in place in various Latin American countries and have been for 100 years. There are three reasons for this (Peeler, 1985, 23). First, during the initial phase of the Independence movement in Latin America (approximately 1820), many elites believed liberal democracies were the best type of government. Writing a constitution to reflect the accompanying institutions associated with these democracies was one way to orient the newly independent states in that direction. Secondly, these same elites realized the necessity to at least look democratic in order to have their independence respected by their northern neighbor and Europe. Lastly, by encouraging the participation of the masses in the political process, these elites legitimized, to the masses themselves, the existing political system.

Mexico, like most of Latin America, in theory includes these liberal institutions in the political system but in reality excludes these same institutions from valid participation, especially the opposition, the middle class, and the press. Opposition parties, like competing companies in a free market economy, are supposed to keep the "quality" of the political product high while keeping the "price" low. Before the Mexican presidential elections of 1988, a vote for an opposition party was as much a protest against the PRI as a voicing of support for the opposition party itself. Perhaps for the first time in 1988, the vote for the opposition, especially for the National Democratic Front of Cardenas, was truly a show of support.

The support shown by the middle class for any administration is often used as a measure of the success or failure of that regime. In

many governments the middle class is supportive of the ruling body and must be considered during any economic or social change in the country. (Chalmers, 1986, 394) In Mexico, the peasants and laborers have traditionally been the pillars of support for the PRI, not the middle class. This middle class has suffered much in Mexico and has probably benefited least from the Economic Solidarity Pact and other austerity measures.

Besides the institutions and groups, ideas can also be powerful allies of democracy. The idea of a free and unbiased press spreads the word of the government in power as well as that of the opposition. The citizenry becomes informed and can thereby make intelligent choices concerning leadership in their respective countries; election by popular vote becomes a credible way to choose a president. Although the political reforms in the 1970's gave opposition parties better access to television, radio, and newspapers, journalism is still controlled by the regime. This control of the journalistic media gives a tremendous advantage to the PRI during any election.

d. Abilities of the New Leaders

The building and maintenance of a democracy takes more political savvy and skill than that required for some type of strict authoritarian regime. While the latter rules by force, the former rules by reason and compromise. If an authoritarian regime is ruled with strong military support it can be quite stable. It is for this reason the U.S. has supported these types of regimes in Latin America. Democracies, in their infancy, tend to be unstable; the success rate of long-term democracies in Latin America is not good. For this reason,

the leaders of any new democracy need to be skilled in the art of politics. In every example of liberal democracy in Latin America (Venezuela, Costa Rica, and Colombia) there has been skillful negotiation among rival elites leading to a "peace treaty" or pact which laid the foundation for a democratic state. (Peeler, 1985, 137)

In Colombia, elites in the Liberal and Conservative parties established a mechanism called the National Front in 1957 which aided in a transition to democracy completed in 1974. Key actors in these intricate negotiations included the Catholic Church, the military, and important business leaders. In Venezuela, not two but three political parties had to agree to disagree and in 1957 formed a coalition that accepted the elected president as leader of the country. Again involved in the decision were the church, the armed forces, and military leaders. As in the previous two cases, Costa Rica's initial transition to democracy in 1948 involved accommodation among competing elites, the business community, and the military forces. None of the above three transitions would have taken place without skillful negotiating by experienced politicians.

Mexico's opposition parties, although never before a viable alternative to the PRI, have been seedbeds for political activity where candidates gain experience and a constituency. Within the PRI itself, some of the elite, frustrated by an inability to push through reforms, broke free from the party to form splinter groups of their own. Cardenas is but one very important example: being a former governor and member of the PRI he probably has the savvy and know how to run the country. His experience within the PRI as a governor of the state of Michoacan would

greatly benefit the negotiation process between rival elites. He is surely as experienced in government as de la Madrid or Salinas, neither of whom had been elected to any political office prior to the presidency.

e. Concluding Thoughts: The Final Transitions

In determining the political direction Mexico will take as a result of its transition, four factors need to be considered:

1. the type of transition; violent or controlled;
2. the history of democracy in the country;
3. the necessary building blocks for democracy, and;
4. strong leadership to nurture a democracy.

Mexico will most likely experience a controlled change in its political structure. This change can only be accomplished by experienced politicians skilled in the art of negotiation. It then follows that this new leadership will have to come from opposition leaders who have participated in the political process, or from disaffected elites within the PRI itself, as in the case of Cardenas. In Mexico, there is no history of democracy or democratic institutions. Since at least the days of Porfirio Diaz, Mexicans have lived under authoritarian rule. Although the United States is probably the most copied democracy in the world, Mexico does not emulate its northern neighbor. Finally, Mexico has strong political figures in the country. When the change does come, the new leaders will be experienced politicians, not wild-eyed revolutionaries. The question now becomes, what type of transition will Mexico experience and what will the final "product" look like?

Key players in changes to a regime include at a minimum the ruling elites, the military, and the middle class, often represented by business entrepreneurs. Also important is the leftist opposition. In

the three examples of liberal democracies, Venezuela, Costa Rica, and Colombia, the leftist opposition was excluded from the decisionmaking process during discussions on regime transition. In at least the case of Venezuela, these leaders had to be repressed as unsatisfied demands boiled over into public demonstrations. In the following sections, alternative transition types are presented involving the previously identified key players: political elite, military, middle class and business sector, and leftist opposition. The actions of these key players are a function of the four factors determining Mexico's political direction: type of transition, history of democracy, institutions for democracy, and quality of leadership.

B. TRANSITION AND CHANGE: WHAT WILL MEXICO BECOME?

In determining what Mexico will become, it might be helpful to look at what it is not. Mexico is not ruled by a military junta or strongly influenced by the same. However, the military becomes a more modern and professional force every year. Some type of military takeover then is possible.

The political system in Mexico has lasted almost 60 years. Throughout the decades, the ruling regime has used some combination of repression and co-optation to maintain control. As new business leaders or labor unions emerge, they are co-opted. As student uprisings or indigenous terrorist movements increase, they are repressed. Mexico currently relies on the patronage system, in the past financed by oil, to allocate benefits. As this source "dries up", due to continued low prices for oil and increasing reliance on non-oil exports, Mexico will

have to control by other means. The continuation of an authoritarian regime relying ever more on repression as a means of control is possible.

Mexico is not a Marxist-Leninist regime. However, in 1981 the PCM joined with four other parties and established the United Socialist Party of Mexico; this created the strongest socialist party since the heyday of the PCM in the 1930's. Blue collar workers, under the thumb of their aging leader Velasquez, show signs of discontent as they continue to suffer under the anti-inflation plan run by de la Madrid and authored by Salinas. A revolution of the proletariat is possible.

Mexico is not a democracy where one man = one vote and opposition parties offer viable alternatives to the regime in power. However, reforms in the 1970's facilitated the rise of opposition parties. Cardenas and his National Democratic Front stress dignity of the individual and received much support in the 1988 presidential elections than any opposition party has ever garnered in the history of modern Mexico. Opposition victories in the Chamber of Deputies deprive the PRI of a two-thirds majority for the first time in its history. Democracy is possible. The following sections explore the four possibilities.

1. Military Intervention

Any type of transition in Mexico will involve the military in one way or another. The armed forces could support the existing government in any efforts to increase repression through crowd control, arrests of dissidents, imposition of martial law, closing down of the press, or other strong-arm tactics. Another role could be that of a caretaker, supervising a transition of power and eventually turning control over to a civilian body. It is also possible a ruling military junta could

remain in power. Given the apolitical nature of the Mexican military, the first two roles are feasible, the last is possible, but highly improbable.

The military's current desire to leave governing of the country to civilian elites is based on the latter's ability to govern effectively and an assumption that it is and will continue to do so. Greater military involvement in the government, be it as an adviser within the system or as a transition facilitator outside of the system, becomes more likely as current economic and political stresses become greater and the government falters. Stated in another manner, "The military mind...may be able to tolerate many things, but it can never accept nor understand disorder." (Ackroyd, 1982, 18) Additionally, major changes in the military increase the likelihood of intervention as the armed forces become increasingly more confident in their ability to govern. These changes in hardware and training were motivated by steadily broadening definitions of national defense needs in the 1970s after, as noted above, huge oil deposits were found in the south, revolutionary unrest surfaced in Central America, and the ruling elite recognized a need for the military as a support group. (Cornelius and Craig, 1984, 449) Support has taken the form of armed repression, counterinsurgency campaigns, and private assurances.

Demonstrators in Mexico City have been repressed by soldiers using tanks, helicopters, and machine guns. The military went after numerous terrorist groups and rural guerrillas during the 1960s and 1970s. Most recently, heavily armed soldiers maintained order during a confrontation between government officials and opposition

representatives; the representatives tried to break into a room containing election ballots from the July 1988 presidential elections (Badillo, 1988, 0012). Private assurances from the armed forces bolstered sagging administrations during times of duress, (as in June, 1971, when the newly inaugurated Luis Echeverria was challenged by a conservative coalition of industrialists and politicians led by the mayor of Mexico City). (Cornelius and Craig, 1984, 448-449)

Through the higher level of education and training offered by the new professional military schools, the armed forces are gaining the ability to participate in both internal decisions determining the direction of the country and external foreign policy decisions.

The Mexican military is for a strong central government; a strong government in Mexico can co-opt and repress as necessary to control mobilization and appease demands. Seventy percent of the officer corps was recruited from Mexico City or 11 central states; few are from the North, the center of power for the conservative opposition. (Latell, 1986, pp. 29-30) Nevertheless, the armed forces are probably just as disillusioned as the business and opposition political elites with the failures of civilian leaders in the last decade to end corruption, stop massive abuses of power, and halt the slide of the Mexican economy into an ever growing foreign debt hole. It seems likely the prestige and political adroitness of the military will continue to develop in the years ahead. The military forces will gain confidence in their ability to run the country.

A military-dominated government would be likely in the event that political and social instability rise to dangerously high levels.

A suggested example of this level of political instability is that experienced as a result of presidential elections of July, 1988. This type of conflict could cause splits among conservative and liberal political elites within the PRI.

Serious elite conflict between the conservatives and reformers could result in a political standoff. The strong beliefs of each group could make compromise impossible. Precisely at this point, the existence of a potentially mobilizable mass of discontented people would become of paramount importance. The more progressive elites (convinced that their opportunity for putting through basic reforms was limited) might decide to take advantage of the potential for mass mobilization in order to increase the chances of implementing their reforms. Attempts at mass mobilization by the progressive elites would cause the more conservative elites to secure their position by mobilizing their supporters. The result would be the transformation of the Mexican political system into a competitive populist regime characterized by elite conflict and high levels of mobilization. This could provoke a takeover by a Mexican military whose short-term goal would be restoring order. The outcome could be a mixed civilian-military regime. Civilian career politicians or technocrats might still have the upper hand in such a coalition, but the military would undoubtedly have greater influence than they currently exercise on nonmilitary policy making. Although this scenario is possible, there are at least three reasons why the military might not intervene in the political arena.

a. Reasons Supporting Military Non-Intervention

The first element directly effecting the military is the revolution of 1910. Officers believe their social revolution and resulting system of one-party government is unique. The revolution of 1910 is the center upon which the ideals of the military revolve around. "Universal military values...are given a peculiarly Mexican flavor, by associating them with glorious episodes in the nation's and the army's past." (McAllister, 1970, 230) Deriving their mission directly from the 1917 constitution, the armed forces are tasked to defend the constitution, maintain the sovereignty of their country, and preserve internal order. Until the unrest in Central America and the discovery of major oil deposits in the southern part of the country, internal order has been the primary concern of the Mexican military (Wager, 1984, 89).

Secondly, the military institution has not traditionally been the court of last resort in modern Mexico. Unlike the majority of Latin American countries, the ruling civilian regime is the ultimate guarantor of hegemony, not the military (Needler, 1987, 207). During the presidency of Cardenas, a ministry of National Defense and a Ministry of the Navy were created. Under this command structure, the army and air force came under the National Defense Ministry while the Navy was of course controlled by the Navy Ministry. This chain of command, in effect today, prevents any one military person from holding power over all three services. Unique in Latin America, this structure effectively dilutes and disperses the power of the top military leaders. Cardenas also started the practice of rotating military zonal commanders every few

years so no power bases or personal followings could be built. (Wager, 1984, 90)

Lastly, the military seems to be suffering less from the system's general decline in legitimacy and power than civilian elites (Latell, 1986, 30). Unlike present day Chile and the Argentine military of the early 1980's, the Mexican armed forces have not been blamed for the economic and social problems of the country. For this reason, the military way of life has not been threatened by dissension, disagreements, or splits along ideological or foreign policy lines. Thus, the military is unlikely to intervene in the political affairs of the nation.

b. U.S. Influence and Weapons Transfers

Mexico maintains a military free of entangling alliances with other countries; the armed forces maintain their distance from the U.S., in part to maintain credibility with the third world (Wager, 1984, 100). Mexico refused to sign a defense pact in 1951 with Washington and did not participate in the ouster of Cuba from the Organization of American States (OAS) in the early 1960s. In the last four decades only Costa Rica, Haiti, and Panama received less military aid from the United States than Mexico (Schultz, 1981, 215). Only Mexico and Cuba have not had a U.S. Military Assistance Advisory Group (MAAG) within their borders since the 1960's (Schultz, 1981, 238). Military relations between the two countries have "remained cordial...but...more symbolic than substantive." (Center for Advanced International Studies, 1972, pp. 1-24)

Mexico's emphasis on internal security instead of external threat, an indigenous arms production capability, and a non-interventionist foreign policy, reduce dependence on any one foreign power for large quantities of weapons. Mexico has a small defense industry but one that has been in operation since the turn of the century. Following WWII, most military equipment in the Mexican inventory consisted of old U.S. equipment. Within 20 years, equipment was coming from both Europe and Israel. Since this time, no one country has a monopoly on sales to Mexico.

TABLE 12: VALUE OF ARMS TRANSFERS TO MEXICO
CUMULATIVE 1976-1985 BY MAJOR SUPPLIER
(Millions of current dollars)

USSR	0
US	150
FRANCE	50
UNITED KINGDOM	20
WEST GERMANY	10
PRC	0
ITALY	0
POLAND	0
CZECHOSLOVAKIA	0
SWITZERLAND	10
OTHER	<u>190</u>
TOTAL	430

(World Military Expenditures, 1986, 119)

Mexico develops and produces rifles and smaller handguns. A Mauser rifle, compatible with U.S. equipment, was developed in 1954: 7000 were issued to the armed forces. An improved version of the B-1933 light machine gun (RM-2) was developed as well as the Mendoza submachine gun. (English, 1984, 310) An arms producer in West Germany, Hechler and Koch, has a contract with Mexico and has supplied G-3 assault rifles:

semi-automatic weapons firing 600 rounds per minute. Mexico arranged for production of these rifles; by late 1983, a production line assembled parts imported from West Germany. In 1984, the parts were made in Mexican machine shops with Germans supervising Mexican workers. Although M-3 and M-5 light tanks are made in the U.S., Mexico does have the capability to repair some tank parts and produce others (Allisky, 1984, pp. 248-249). The regime purchased 115 armored cars from the U.S. in the past decade (1973-1983). In 1971, French AMX APCs were being made in Argentina; Mexico sent observers there who then recommended to the Defense Minister that a West German firm be asked to bid and a contract was later finalized for Henschel Corporation's HWK-11s. West Germany made deliveries in 1973 and by 1981 Mexico was able to manufacture some of the parts and integrate them with the major parts from West Germany. They are now assembled in Mexico (Allisky, 1984, 256).

Shipbuilding is relatively underdeveloped, although some small patrol and auxiliary craft were built from the 1940s onward. A number of small patrol boats were built in local shipyards beginning in 1959-1960 with the 80-ton Azueta and Villapando built at Tampico. In 1972, Mexico produced the Azteca class 130-ton patrol boats partly in the U.K. and partly in Mexico. (English, 1984, pp. 315-316) As for ship repairs and modifications, the Ministry of Communications and Transportation (Secretaria de Comunicaciones y Transportes, or SCT) has a Subministry for Ports and Merchant Marine. The SCT and the Navy Ministry coordinate their needs for drydocks, cranes, warehouses, and similar necessities of shipbuilding and repair through the director of Ports and the Merchant Marine. In November, 1981, a new Olmeca patrol boat was

commissioned; it was constructed at the Navy Ministry. Advances in electronics and guided missiles and Mexico's desire to make its small navy more effective, have put pressure on the government to manufacture radar equipment and parts for anti-ship missiles. Subcontracts for equipment now under production in Mexico City, Monterrey, and Guadalajara plants assure the availability of needed parts for the Navy as it upgrades its electronic defenses. (Allisky, 1984, 253)

The aircraft industry, although never large, carried out much pioneering work during the first quarter of the century and kept up a steady stream of production into the 1960s. Local aircraft production included 40 Lockheed-Azcarate LASA-60 general purpose aircraft during the 1950s and early 1960s of which 18 were purchased by the Mexican Air Force (English, 1984, 319). Although helicopters are imported, some of the parts can be made domestically or repaired, such as Type-E rotor blades. Monterrey and Mexico City electronics firms produce oscilloscopes for radar screens. Mounts and connections for laser trackers are locally available in Mexico. The corporation Turbo Jet de Mexico (TJM) of Mexico City manufactures and imports aircraft engines, instruments, and fuselage parts for aircraft ranging from Bell helicopters to Pratt and Whitney light-plane engines (Allisky, 1984, 252-254).

Civilian policy makers are committed to armament production and imports at a modest level of replacement plus some small annual increments for increasingly sophisticated weaponry (Allisky, 1984, 252). In recent years, the bulk of Mexico's defense spending has gone for personnel, equipment operation and maintenance, and maneuvers and training. Capital outlays represented relatively small percentages of

the total defense budget before the 1970s. In the 1980s, however, weaponry has become more complex, surveillance systems more sophisticated, and costs inflated. During the 1980's, arms purchases have been increasing by ten percent a year; military manufacturing of ammunition and arms inside Mexico is growing by 12 to 15 percent a year. Arms procurement planning is much improved; earlier, supply officers had no plans for follow-on support after purchases of major weapons systems. This greatly diminished the effectiveness of the system. Since 1982, the buy has involved "total system transfers and follow-up support." (Allisky, 1984, 257)

c. Final Thoughts: Military Intervention

Military participation in support of government objectives, like the quelling of the student riot in 1968 is possible as social unrest continues to grow. Even an interim military junta presiding over a transition in government could be seen but not permanent military rule. The armed forces, although participating in government decisions at a national level, simply do not yet have the expertise or desire to govern. Because of a determined effort to avoid military treaties and extensive arms purchases from any one country, this desire not to govern will be based on internal decisions and not external pressure.

One result of both defense treaties and weapons purchases is a state of dependency. In the former it is dependency upon the ally to supply some of the defense of the country. In this way a country effectively increases the size of its army without increasing the military budget; however a country's military goals might not be maximized in deference to its ally. In the latter, technology and

maintenance requirements often cause a weapons purchaser to require assistance from the seller for years. This dependence can compromise foreign policy objectives as the buyer supports foreign policy decisions of the seller to keep the spare parts and trained technicians flowing into the country. One has only to look at the Iranian Air Force to see what the lack of assistance from the supplier (The U.S.) can do. Mexico helps to maintain its autonomy by avoiding substantive military contact with the U.S. and by both diversifying its weapons suppliers and developing an indigenous arms production capability.

2. Maintenance of the Current Regime

Scholars have been predicting the demise of the Mexican corporatist system since the 1950's. They have alternately said it is in crisis, under threat of an imminent coup, or on the verge of impending collapse. Is it, or should one heed the thoughts of Martin Needler when he says,

Are the crossroads really there or are they a mirage produced as the blurred eyes of Mexico-watchers peer across the arid wastes of commentary into the hot air of political rhetoric? (Needler, 1987, 201)

This next scenario examines how the Mexican regime is able to resist the strains on its system and adapt its political structure or repress its people as needed.

In this scenario, the state doesn't relinquish its control over society or simply fade into obscurity. It must however, rely increasingly upon coercion and co-optation to maintain control as the economy falters and demands for political reforms become louder. The regime recently weathered a 1988 presidential election that clearly

weakened the legitimacy of the state due to an abstention rate of over 50 percent, militant resistance by the opposition to fraud, and extensive foreign media attention (Aguilar, 1988, 0010). One possible reaction to this situation could be suspension of electoral contests at the state and local levels until economic and political conditions are more favorable for a return to "democracy." (Cornelius, 1987, 36) Tighter controls could be put on the mass media; selective crackdowns could be ordered on universities, dissident unions, and other organized opposition groups (Cornelius and Craig, 1984, 463). The PAN and the Cardenist Front will continue their attacks on the legitimacy of the regime; the danger of destabilizing splits within the ruling elite will increase. Although possible, co-optation and selective repression reduce the likelihood of a military coup or other violent upheaval.

a. Co-optation in the Guise of Reform

One example of such a reform might be the abolition of the right of *amparo*: a right used mainly by landowners to delay for approximately 20 years the transfer of their lands to peasants to whom the government has granted title. Another possibility would be the nationalization of privately owned lands in federal irrigation districts, as such lands are among the richest in the nation and the vast quantities of money that the government has invested in them have benefited wealthy private agriculturalists almost exclusively. Still a third example would be a restructuring of the tax system to, eliminate the issuance of stocks made out only to the bearer, (a system that makes it impossible for the government to control foreign penetration of the economy or to determine the amount of wealth owned by stockholding Mexicans), increase taxes on

agriculture, (which at present is taxed at only nominal rates), and tax capital-derived income at rates equal to those applied to income derived from labor. The above reforms would tend to neutralize any potential mass mobilization on the part of peasants. (Purcell, 1977, 181) Other co-optation in the guise of reform is the already implemented restructuring of the one-party corporatist system in order to open up the political process.

b. Reform of the One-Party System

Over the past 25 years, the regime has instituted a number of political changes under the guise of reform. Party system reforms in 1963 and 1973 covered three aspects. First, the voting age was lowered from 21 to 18; the minimum age requirement to run for congress was also reduced. Second, the ruling political elite eased requirements for registering parties for national elections. (Bailey, 1987, 76) Pursued during the presidency of Echeverria, there was an opening to the left, the *apertura democratica*. This involved release of political prisoners jailed during the repression of 1968, the incorporation of former political dissidents into the state administrations, attempts to accentuate the third world features of Mexican foreign policy, and an effort to tighten links between the PRI and the social-democratic Socialist International (Carr, 1986, 4-5). The third party reform made it easier for parties to win seats in the Chamber of Deputies.

The thrust of the 1977 electoral reforms, referred to as LOPPE (Ley Federal de Organizaciones Politicas y Procesos Electorales) was promotion of opposition parties. The 1977 reforms provided first that parties might qualify to run candidates by registering 65,000

members in states or electoral districts; alternatively, they might seek provisional registration, and if they received at least 1.5 percent of the vote in the subsequent national election, their registration would be made permanent (unless future votes dropped below the minimum). The second provision of the 1977 reforms increased the Chamber of Deputies from 250 to 400 seats (later expanded to 500 seats); 100 of the 400 seats were reserved for opposition parties, to be won through election by proportional representation from party lists in the five districts into which the whole of the country was divided. The other seats are filled by simple majority elections in the 300 electoral districts, but if any party wins as many as 60 of the 300-seat bloc, it may not compete in the proportional representation contest for an additional share of those 200 seats. The third element of LOPPE allowed opposition parties to receive free access to radio and television, postal facilities and telegraph lines, as well as subsidies for certain monthly publications and tax exemptions. One final provision of the reforms was the guarantee that permanently registered parties be granted voting membership on the Federal Electoral Commission (CFE) and state and district commissions; provisionally registered parties could send observers. The Federal Commission is the ultimate arbiter of charges of fraudulent practices in the tabulation of electoral returns (Stevens, 1987, 227).

Besides increased voter participation, a subsequent goal of the reforms was to stimulate growth of the Left to establish some balance with the PAN (Bailey, 1987, 77). This element of the 1977 reforms significantly increased the democratic appearance of the 1982 elections and was a result partly of the 1976 elections where the Communist Party

wasn't legally registered and the PAN didn't run a presidential candidate because of internal divisions. The change represented by the 1977 law was symbolically important, because it laid the foundation for the subsequent 1979 registration of the communists and several other parties to the left of the PRI for the first time since the presidency of Cardenas. (Cornelius and Craig, 1984, 442) Although not official acts such as the LOPPE in 1977, electoral reform continued in Mexico during the de la Madrid administration.

In December, 1982, opposition groups took over town halls throughout the central region of the country; they were protesting against fraudulent municipal elections. The newly installed de la Madrid administration responded in a low-key, non-repressive manner. The president ordered negotiations with the dissidents rather than the traditional method of dealing with such situations (sending in army troops or federal police to impose a PRI-controlled municipal governments). The PRI conceded defeat, at the municipal level, in seven major cities. Five of these (Hermosillo, San Luis Potosi, Guanajuato, Chihuahua, and Durango) are state capitals, and another is a large border town (Ciudad Juarez). De la Madrid saw this as a necessary risk for the regime; it created an outlet for popular frustrations and the ambitions of dissident politicians, at a time when the regime had few material benefits to distribute. Controlled liberalization of the political system from the bottom up also avoids or postpones major confrontations between reformers and conservatives within the regime itself. Further the PRI's control of the truly important public offices (the presidency

and the state governorships) wasn't challenged by the liberalization policy.

In 1983, de la Madrid recognized an unprecedented number of victories by opposition parties at the municipal level, including several major cities; however, the idea of open primaries for local elections was still seen as politically radical in Mexico. Conservative elites within the regime feared such a step might lead to a further, and potentially unstoppable, unraveling of Mexico's system of centralized political control (Cornelius and Craig, 1984, 426). This refusal to use primaries, although clearly only one among a number of factors, accounts partially for the exit of Cardenas from the PRI.

c. Outcomes of the Party Reforms

The effects of the party reforms became noticeable for the first time in the 1979 federal elections for members of the national Chamber of Deputies. The pre-reform period of 1961-1976 included only four parties: the PAN, PRI, PPS, and PARM. During that period the PRI slipped from 90.2 percent of the total votes to 80.1 percent. In the same period the PAN rose from 7.6 percent to 14.7 percent and then fell to 8.5 percent in 1976. Over the next three elections (1979, 1982, 1985) participation rose to include five additional parties. They include: the PSUM, the PRT (Partido Revolucionario de los Trabajadores), the PMT (Partido Mexicano de los Trabajadores), the PDM (Partido Demócrata Mexicano), and the PST (Partido Socialista de Trabajadores) (Horcasitas, 1987, 19). Analysis of the popular vote revealed further slippage in support for the PRI from 69.7 percent in 1979 to 65 percent in 1985; the PRI actually received 3,021,009 fewer votes in 1985 than in 1982 and lost

ten deputies. In that same period the PAN increased its percentage from 10.8 (1979) to 15.5 in 1985 (Stevens, 1987, 226-227).

On the surface these results look like a positive response to the electoral changes instituted by the political elite. Although retaining the majority of the (1) seats in the Chamber of Deputies and (2) popular vote, the PRI's domination of the system was clearly waning. Critics would have a difficult time arguing that Mexico had a one-party system. Yet a deeper probe into the election results tell quite another story.

One of the goals of the PRI's change in the political system was a strengthening of the opposition parties, particularly the left, to strengthen the electoral process as a legitimizing tool for the regime. An analysis of the 1985 election for the Chamber of Deputies shows a marked decline in support for the two major opposition parties: the PAN and the PSUM on the left. On the other hand, the parties closely affiliated with the PRI showed real gains. In the elections, the PAN received 999,210 votes less than in 1982 (a 1.9 percent drop) and lost ten seats in the Chamber of Deputies. The PSUM received 353,381 fewer votes (a 1.2 percent drop) and lost five seats. As a group, the parties closely associated with the PRI gained 13 seats in the Chamber and received 45,848 more votes (a 1 percent gain) than in 1982 (Horcasitas, 1987, 19).

The form which the intention to give greater representation to opposition parties took was that of a restructuring of the Chamber of Deputies. As mentioned earlier, the number of seats was increased from 250 to 500 with 200 of these seats reserved for minority parties. The

winners of the 200 seats are determined by a second ballot cast by voters in the single-member, winner-take-all district elections. This second ballot is a list of party representatives chosen from one of five nationwide electoral regions, created specifically to determine winners of the 200 minority seats. Seats based on the results of this second ballot are distributed proportionally, within some limits, among parties which have won fewer than sixty district seats, that is, parties other than the PRI. However, proportionality is not characteristic of the total distribution of seats in the Chamber. Arbitrarily, only 200 out of 500 seats are reserved to be distributed in accordance with the results on the second half of the ballot. Arbitrarily also, not all of those seats are in fact distributed proportionately, since each registered party receives a minimum of one seat out of that number per electoral district.

For example, there were seven parties beside the PRI in the 1985 federal elections. Assuming each is registered in the five electoral districts, 35 of the 200 minority seats would be automatically decided without any voting. Each party would receive 2.5 percent of the seats even if they received less than 2.5 percent of the vote (1.5 percent is required to maintain permanent registration). This has the effect of strengthening tiny micro-parties at the expense of any larger parties more likely to approach the status of genuine threat to the PRI. The plurality single-member district elections by which 300 of the 500 seats are filled translate anything over a plurality of the votes, given more than one opposition party, into an overwhelming majority of the assembly seats. For example, assuming at least two strong contenders in the district voting (the PAN and National Democratic Front), the PRI

could garner only 35 to 45 percent of the votes and still win 300 seats in the Chamber out of a possible 500. The stipulation that a party winning over 60 seats in district elections does not share in the proportional distribution of the 200 extra seats clearly indicates the expectation that the system will continue to be one of a single dominant party in effective control of the legislature, with a minority of seats earmarked as a concession to small parties in permanent opposition. The provision that parties gaining over 60 seats do not share in the proportional distribution of the vote on the second half of the ballot also means that the PRI sustains no loss if it instructs its voters to opt for insignificant micro-parties on the second ballot, especially micro-parties willing to collaborate with the PRI, thus giving them seats at the expense of the larger, more serious, opposition parties (PAN, National Democratic Front, and PSUM). (Needler, 1987, 209)

The political changes, in themselves, did little to reduce the absolute power of the PRI and increase democratization within the system. The changes were for the most part an attempt to co-opt and incorporate the opposition and channel the dissatisfaction with the regime in a direction agreeable to the ruling elite. There remains some "give" in the system; the PRI can easily accept opposition victories for two or three governorships, which would rightly be regarded as a major breakthrough for the forces of opposition. Yet the dominant single-party system would continue at the national level principally unaffected.

d. Final Thoughts: Maintenance of the Current Regime

Mexico's experience shows that changes within the electoral system which serve mainly to create additional space within the political

arena for opposition parties do not really promote the democratization of the system. And the more competitive elections made possible by liberalized election laws do not even necessarily help to legitimate the government, so long as the basic authoritarian features of the system (the PRI itself and the mass organizations) remain intact. (Cornelius, 1987, 33) The political liberalization process, as a method of co-optation, has reached a dead end. Reformers are restricted from instituting state-financed changes due to the ever-worsening economic crisis and fear that further liberalization is likely to benefit only their enemies: big business, the Church, the PAN, the Cardenas Front, and other opposition parties. Leftist factions within the PRI are concerned with minimizing the effects of the economic crisis on their labor, middle-class, and professional constituencies. The rightist opposition demands democratic transformation, but few Mexicans take it seriously as an alternative to the PRI; the more militantly it protests PRI electoral abuses the more it seems to strengthen the hand of those within the regime who oppose political reforms. (Cornelius, 1987, 35) The Cardenas Front demands fraud-free elections and an end to PRI domination; it is perhaps the first valid challenge to existing political power since the inception of the PRI.

The political openings of 1977 and 1982-83 were intended to stabilize an increasingly antiquated political machine. They have had the opposite effect for three reasons. First, by sanctioning more opposition parties, PRI leaders undermine one of the central themes of the 1910 revolution; they have shown the party cannot be all things to all Mexicans. By raising popular expectations for a more genuinely

democratic system, the PRI has given more of a reason for popular mobilization. Second, legalized opposition parties can evolve over time into broader coalitions of anti-PRI groups. The Cardenas Front is a combination of leftist parties, many of which were illegal before the 1977 political reforms. Lastly, the PRI must ever increasingly perform in elections as a real political party: that is to nominate appealing candidates, develop platforms and agendas, wage competitive campaigns, and respond to voter interests and complaints, rather than to function merely as the political front of the system (Latell, 1986, 16-17).

3. Transition to a Marxist-Leninist Regime

To speak of a Marxist-Leninist government in power in Mexico is to speak of the spread of Soviet influence and satellite countries in Latin America. Although there are some who would say a Marxist-Leninist state is not necessarily a soviet satellite (Ottaway, 1986, 11), in Latin America the evidence points to the contrary. Cuba is clearly Marxist-Leninist and a Soviet proxy. Although at times disagreeing with the Moscow line, Havana for the most part supports and furthers Soviet goals in Latin America. Nicaragua is clearly Marxist-Leninist. On June 23, 1981, Humberto Ortega, one of the leaders of the Sandinista movement said in a speech to a group of Sandinista army officers:

...we are inspired by sandinismo, ...we are guided by the scientific doctrine of the revolution, by Marxism-Leninism. We were saying that Marxism-Leninism is the scientific doctrine that guides our revolution...without sandinismo we cannot be Marxist-Leninists, and sandinismo without Marxism-Leninism cannot be revolutionary.

(Christian, 1986, 222)

That Nicaragua is already a Soviet satellite is not clear. Managua will probably remain outside the Soviet orbit unless two things

happen. (1) U.S. pressure for change becomes too restrictive on Nicaraguan policies and; (2) the Soviets can provide the economic support afforded Cuba. That one of these two conditions will be met seems certain. Which one is best answered by U.S. policy experts.

In this thesis it is assumed that any attempts, by the Mexican government, to increase Marxist-Leninist, or communist influence equates to an attempt to increase Soviet influence. Equally as important, foreign policy objectives in support of Soviet policies highlight elements in the Mexican government sympathetic to the Soviet cause. Although not probable, there are those within the Mexican government who would support a communist government.

a. Why Communists Would Like Greater Influence In Mexico

In looking at Soviet chances for influence in Latin America and specifically Mexico, some analysts believe progressive, reformist forces are becoming stronger every year. This view pits the economic nationalism of Mexico against the control of U.S. multinational corporations. The Soviets would like to exploit this antagonism to further three objectives in the country. (1) Greater control over strategic raw materials. The Soviets do not believe they could cut off the flow of essential raw materials to the United States but any change of trade patterns vis-a-vis the U.S. and U.S.S.R. would be a favorable change in the Soviet "correlation of forces." Valuable resources possessed by Mexico include oil, iron ore, and uranium. (2) Furtherance of nationalist movements. In the case of Mexico, this second objective is directly tied to the first. The nationalism of Mexico is economic and is directed at the industrialized countries, specifically the United

States. Mexico wants debt relief from a massive burden of over \$100 billion. Any shifting of trade patterns, debt-repayment slowdown or even default would benefit the Soviets. (3) Improvement in relations with countries with which the U.S. has strained or deteriorating relations. As outlined in this thesis, problems over immigration, the debt issue, and drugs trouble U.S./Mexican relations. (Duncan, 1981, pp. 5-12) Moscow does not have to look far to highlight existing differences between Washington and Mexico City.

b. Mexico's Links to Communism and Opposition to U.S. Policy

Mexico, through its foreign policy objectives, shows there is a progressive elite who would support increased communist influence, or at least are in agreement with the policies thereof. In 1954, Mexico opposed U.S. action against the Arbenz government in Guatemala. In 1962, Mexico stood alone in Latin America in maintaining relations with Cuba. Mexico City supported the Allende government in Chile and opposed Washington's destabilization policies in that country. In 1975, Mexico voted in the UN to equate Zionism with racism and voted against the U.S. in support of a boycott of the Moscow Olympics. Mexico neither supported the sending of an Inter-American Peacekeeping force to Nicaragua by the OAS nor the promotion of free elections in El Salvador in 1982: the leftist insurgents were seen as a representative political entity.

They did support a dialogue between then Secretary of State Alexander Haig and Rafael Rodriguez, the Vicepremier Minister of Cuba. President Portillo supported and helped co-author the Contadora peace Initiative which called for a peaceful settlement in Central America without U.S. interference. Portillo also visited Moscow in May 1978 and

signed an agreement to further cultural, sports, educational, and social science pursuits. Founded in 1979, the PRI used the Permanent Conference of Latin American Political Parties (COPPPAL) to support the Sandinistas and other "socialist, anti-imperialist, or revolutionary parties, and the opposition forces in other Central American countries." (Grabendorff, 1984, 88) Economically, Mexico also belongs to groups which support communist regimes and exclude the United States such as the CMEA, SELA, and an oil support group. These examples of both political and economic foreign policy choices show at the very least a sympathetic view of communism for a lengthy period of time among a large number of the Mexican political elite.

According to Mexican Marxist-Leninists, a transition to a communist form of government would most likely take place by means of the established election process and not through some dramatic social upheaval; communists in Mexico do not support the two-stage theory of revolution with its inevitable violent clash of classes. Neither did it support Moscow during the 1968 invasion of Czechoslovakia or the 1979 invasion of Afghanistan. In 1979, it officially participated in elections for the first time since 1946. In November, 1981, the PCM combined with four other parties to form the PSUM, thereby giving up its claim to be the "sole interpreter of revolutionary Marxism in Mexico." (Carr, 1985, 1) The next section looks at Mexican communism, its support among the population, and its chances to govern the nation.

c. Mexican Communism

Communism in Mexico has never enjoyed nationwide appeal. Support for the PCM and its communist tenets has vacillated between 5000

and 60000 members; support by and for its "natural" constituency, the working class and peasants, has always been weak (Carr, 1985, 7). There are three reasons for this. First, until 1968, the PCM argued that Mexico was in a feudal and pre-capitalist state. It argued that capitalism needed to be fully developed before socialism could take place. It followed then, that needs of the capitalist factory owners and industrialists were promoted instead of those of the workers. Secondly, labor has been under the thumb of the PRI, who could offer greater concrete benefits in the present, through Fidel Velasquez, than could the PCM with its vague promises for a "workers revolution" in the future. Finally, until the early 1950's, the PCM was so much in agreement with the "revolutionary" ideals of the PRI that it entertained the idea of dissolving and becoming an official sector of the corporatist government. The PCM revitalized itself in 1968.

The bloody repression of the student movement in 1968 alienated many of the progressive elite in the PRI who felt the party no longer stood for the goals of the revolution. After 1968 the PCM picked up support from these dissatisfied elite, along with that of students and other intellectuals, all of whom believed in the ideals and proposed political policies of the PCM. These included:

1. more state control over foreign investment;
2. control of exchange rates;
3. lessening dependence on the U.S. as a trading partner and source of funds;
4. entry into OPEC;
5. nationalization of pharmaceuticals and food processing;
6. massive tax reform;
7. nationalization of bank lending;
8. adoption of a nationwide plan for redistribution of wealth;
9. abolishment of wage controls;
10. keeping wage increases in line with inflation;

11. price controls for primary goods, and;
12. Increased spending on government programs for social welfare.

Additionally, unions of university teachers and workers established in the mid-1970's gave their support to the PCM. It is in these unions, most often separate from the PRI, the PCM and the communist movement as a whole place primary emphasis.

Mexican communism believes in the independence of trade unions. Independence that is under the leadership of the communist party. This is a prerequisite for a successful transition to a socialist state. Very simply then, the goal of the communist movement in Mexico is not to talk of the ideological struggle between the workers and the owners but to develop policies that will secure the freedom of the labor unions from the PRI. (Carr, 1985, 15) What then are the chances the communists can wrest control of the union movement from the PRI, initiate the changes to socialism, and implement its policies as delineated above? In the near term, they are slim to none.

d. Chances for a Mexican Communist State

The Mexican communist movement bases its future success on independent and democratic trade unions. That is independent from the ruling regime and the CTM. This will not happen as long as labor is tied to the ruling regime through Fidel Velasquez, a staunch anti-communist who has controlled the official labor sector for more than 40 years.

Velasquez is a pragmatist who believes in the ideals of the 1910 revolution and looks to long term goals instead of short term gains. He stands committed to the institutions and ideals of the revolution, most specifically the PRI. As mentioned earlier, he is opposed to

leftist movements; due partly to this, he does not believe in national mobilization or strikes to solve state/labor problems. It is true he has threatened action against the state as a result of economic austerity measures. Yet Velasquez has settled for inter-elite bargaining and company to company negotiations in lieu of nationwide mobilization. (Middlebrook, 1988) Although the Economic Solidarity Pact instituted by de la Madrid to control inflation hits the workers especially hard, Velasquez supports it as long as when stability returns, concessions will be made to the workers.

It is unclear at this point how Salinas will deal with the labor sector. The new president has called into question the traditional pact between labor and the state (Middlebrook, 1988). Further, the chances of Velasquez relinquishing power become greater every year; he is over 80 years old. There are no chosen successors and a more progressive leader could step in. Most likely, the PRI will back a replacement who is just as anti-communist and pro-PRI as Velasquez. And the fact remains that during perhaps the worst economic crisis ever faced by Mexico, a crisis in which the hardest hit sectors have been the labor and middle class, the communist movement could not draw labor away from the ruling regime. More independent trade unions are appearing every year, but as quickly as they form, the important groups are co-opted into the corporatist regime. Co-optation and repression are tools used extensively by the Mexican regime to retain power. Some say these tools will allow the PRI to repair any cracks or breaks in the corporatist "house."

e. Final Thoughts: Transition to a Marxist-Leninist Regime

A Marxist-Leninist regime in Mexico will not happen. The Mexican communist movement receives minimal support at best. Its natural constituency, labor, is controlled by the CTM and there are no signs that this will change. Communist factions necessarily tread carefully as they are ever aware that any sudden leftward movement of Mexico could elicit a negative reaction from the United States. This reaction could be anything from diplomatic pressure to military intervention depending on both the foreign policy of the new Mexican government and the perceived threat to U.S. vital interests.

4. Transition to a Substantive Democracy

There are many definitions of a substantive democracy. One divides this democracy into two parts: (1) the avoidance of a closed group of political elites which allows everyone a chance to be elected and (2) decentralization of authority to increase the influence of public opinion (Casanova, 1970, 179). Another gives the system three elements: (1) universal suffrage, (2) national candidates elected in races offering more than one candidate, and (3) freedom to join political parties and interest groups to try and influence political opinion (Peeler, 1985, 5). For the purposes of this paper, the definition of a substantive democracy is even more comprehensive. To be a viable, working democracy, a country must meet the following eight requirements:

1. freedom to organize and join groups;
2. freedom of speech;
3. universal suffrage;
4. eligibility to hold public office;
5. the right of political leaders to seek public support;
6. more than one source of official information;

7. fair elections, and;
 8. dependence of government institutions on voter preference.
- (Lijphart, 1984, 2)

The Mexican regime considers itself democratic but not as defined in this paper. According to President de la Madrid,

Democracy [is] understood, not in its strict political and much less electoral sense, but rather as it is defined in Article Three of the Constitution which we revolutionaries wrote into the fundamental text and which defines [democracy] not just as a juridical regime and a political system, but rather as a sense of life that seeks the constant economic, social, and cultural betterment of the people. Democracy is not measured only in votes but rather has been measured in Mexico by the broadening of social justice to a growing number of Mexicans.

(Bailey, 1987, 64)

It is a failure to provide "the broadening of social justice to a growing number of Mexicans" that has unbalanced the current regime.

Since 1929, the primary stabilizing and legitimizing mechanisms for the ruling Mexican regime has been its corporatist system of rule. The system has been facilitated by first a traditional populist spoils system, and in the 1970's an oil-based patronage system. Today, oil exports no longer provide enough money to support the patronage system. Today, this one-party form of government is not functioning as either a stabilizing or legitimizing mechanism for the political elite. It has lost much of its credibility and mass support. The government must somehow solve the problem of how to maintain control of the corporatist structure through an adjusted form of co-optation and repression without driving the opposition out of the system.

Prior to this decade, the PRI assumed government could function only within a closed system of internal consensus; if strong opposition parties ever developed, there would be violence. In the Mexico of today, there are ever strengthening opposition forces; if control cannot be

maintained through some new sort of co-optation, such as the electoral reforms in the late 1960's and 1970's, then the state will have to devise a new mechanism; many reformist elites believe free and fair elections within a democratic form of government are the only possible answer.

The economic crisis, (over 100 billion in foreign debt, inflation over 156 percent for 1987) and recent political embarrassment for the PRI, (only 50.7 percent of the popular vote in the 1988 presidential elections) may give Mexico's progressive political elite an opportunity to open up the system in ways unthinkable only a few years ago. In the view of this progressive elite, both within and outside of the official party, the political process must offer a meaningful outlet for the tensions and frustrations generated by economic austerity measures. In the last three sexenios, the government failed to efficiently allocate resources or resolve societal conflict (conflict between itself and the society). The populism of Echeverria did not redistribute land or wealth; Portillo and de la Madrid did not successfully transform massive oil wealth into a higher standard of living for the majority of Mexicans. There has also been what some authors call "a crisis of representation." (Nassif, 1988, pp. 7-10)

Since the revolution, the PRI has been the voice, through a corporatist system, of both the elites and the workers. However, in the last decade the country has become increasingly pluralistic and urbanized. Many prefer practical reform to the rhetoric of the revolution. With this preference for practicality has come an emphasis on conservative goals more so than liberal or progressive ones. Economic conditions shattered the dreams of many of Mexico's elite, especially

those in big business. Promises of social progress, a better life, and redistribution of wealth have similarly been unfulfilled for millions of blue collar workers and peasants. The social pact made between the governing regime and society during the time of Lazaro Cardenas no longer is considered valid; no where was this more evident than during the de la Madrid administration. To protect the manufacturing sectors as well as current employment rates, de la Madrid eliminated subsidies on major foodstuffs and raised prices on many staples. The result of the austerity measures of the 1982-1988 sexenio was a reduction by more than half of the buying power of the Mexican worker.

This invalidation of the social pact by the PRI has given movements such as Panismo and Cardenismo added strength in various regions of the country. The PAN, with its emphasis on decentralization of government and the fight against election fraud and corruption is increasing gaining strength in areas such as Chihuahua, Baja California, Sonora, Nuevo Leon, Durango, and Coahuila. Emphasizing social justice, elimination of corruption in state agencies, and a return to the social contract of the revolution, the modern Cardenistas also show increases in power and influence. (Nassif, 1988, pp. 12-14)

Men like Cuauhtémoc Cardenas argue that state-society relationships in Mexico are "fossilized, dysfunctional, and in need of replacement, in the interests of system survival." (Cornelius and Craig, 1984, 463) Some Mexican academics and journalists predict a gradual distancing of the state from society, as the state's credibility, legitimacy, and capacity for co-optation and incorporation become

weakened. The government will continue to officially rule the country but civil society will go its own way, no longer relying upon the government to distribute the wealth of the nation or act as ultimate arbiter in societal conflicts. (Cornelius, 1987, 36) According to reformist groups, the current political system should undergo a slow but steady liberalization, changing from one of PRI domination to genuine, multi-party competition, at least at the local and state levels. Opposition party victories at those levels should be recognized wherever they occur (especially in the northern border states). The PRI spoils system should be eliminated by replacing its traditional agents for control at the local level (caciques, old-style labor bosses) with a new generation of political powerbrokers. (Cornelius and Craig, 1984, 463) These local bosses of the PRI rely on patrimonialism, clientelism, repression and electoral fraud in many cases to keep the candidates of their party in power. Zones where these tactics are especially prevalent include Chiapas, Guerrero, Oaxaca, San Luis Potosi, Morelos, Jalisco, and Michoacan.

If a real, substantive democracy is to flourish in Mexico, it must spring first from the local and regional level, and then spread across the nation. Democracy cannot be mandated from above, it must rise from below. In a democracy, individuals act collectively or alone to influence public policy; this means the orders come from "below", not from above. The regional movements are forcing the regime to change. Perhaps one of the best indications of the efficacy and strength of these regional movements is their success without the support of the PRI. Traditionally, the PRI has not responded to suggestions from below

Instead initiating co-optation from above. Unlike the political "openings" of the 1960's and 1970's, the PRI did not initiate the current regional pockets of power. These regional groups realize they do not have the wherewithal or support to win a presidential election. Likewise, the PRI realizes it can maintain control over the presidency but is finding it increasingly difficult to control municipal and even state elections with its ever dwindling supply of resources. Perhaps echoing the desires of a reformist elite, 1988 election returns and economic downturns are bringing some of their ideas to fruition. In the state of Veracruz the opposition took 15 mayorships from the PRI; opposition spokesmen claimed victory in more than 20 races. In 1985 the PRI ran virtually unopposed in all 203 races in Veracruz and lost only five races. In 1988, opposition candidates ran in 177 races in Veracruz (Mexico-Election, 0355). Opposition candidates are justly excited about these victories and feel that:

In the electoral field, the government, its party and everything they represent--corruption, antidemocracy, delivery of the nation to foreigners, violence and assassination--have been defeated.

(Branigin, Mexican Denounces, 1988)

Although democracy must start in Mexico at the regional and municipal level, this liberalization of society brings with it no guarantee that the regime will quietly acquiesce. Instead of decentralizing power and liberalizing the state apparatus, the regional movements, at least in the short term, have actually had the opposite effect upon the Mexican regime. (Foweraker, 1988, pp. 6-25)

a. How the PRI Has Responded to Regional Movements

The regional movements affect the regime in the way it reacts to both the opposition and the masses (Foweraker, 1988, 1-18). Groups outside of the three official corporatist sectors of the regime, (CNOP, CNC, and CTM), represent increasingly large portions of the population. In the past, the state has co-opted these groups, bringing them "into the fold." Increasingly, these interest groups are being ignored or violently repressed. This reverses a trend of co-optation first, then repression as needed. Additionally, redistribution of wealth (through land) was abandoned as a goal of the de la Madrid administration.

A goal of the opposition elite is the replacement of the local caciques and strongmen of the PRI. This is being accomplished, but not in a way imagined by this elite. The regime is removing local bosses and replacing them with central state agencies more closely tied to Mexico City. State agrarian groups such as the CONPA, SRA, and SARH have replaced local caciques and tied the peasants more strongly to the CNC. Food related state agencies such as CONASUPO, INMECAFE, and TABAMEX are also more active now on a regional and local level. These state agencies now carry out much of the co-optation and repression previously handled by local bosses.

Replacement of the caciques by the government has caused a rift and power struggle between the two groups as both renegotiate and review their positions. Further complicating the situation is the fact that these local caciques are often already tied to certain state institutions which have now lost their local "points of contact." Further, the replacement by the federal government is slanted in favor of

supporting more fully the CNOP and the middle classes. These are often the most sought after groups by the regional movements. These problems in centralization highlight weaknesses in the PRI organization.

Often the regional level of PRI organization considers itself an entity unto itself and not part of a larger central organization. This often makes directives from the state somewhat slow to filter down to lower levels of organization; the directives can be watered down or changed by the time they reach these levels. The increasing repressionist directives of the PRI, largely in response to the regional movements and subsequent mobilization, gradually pull support away from the state party. This lack of support can be shown in votes for opposition parties (the regional movements).

The regional movements have caused the regime to reevaluate its control over society. This reevaluation has prompted a more exclusionary system of co-optation, replacement of local strongmen with central government figures, and an increasingly repressionist attitude. In other words, the regional movements caused the PRI to reorganize; this reorganization produced an awareness of the inadequacies of representation and conflict resolution capability at the local and regional levels. One way to solve this problem is to further liberalize the process and allow popular choice of local representation. However, another solution would be to strengthen PRI representation and mediation methods at this same level.

b. Final Thoughts: Transition to a Substantive Democracy

A real change towards a substantive democracy in Mexico would require at least three conditions. (Meyer, 1988) First, there would

have to be a change in the way candidates are selected for the presidency by the PRI. Opposition parties have suggested a primary as in the United States. This would force candidates to develop a constituency and following. Next, the PRI would have to be separated from the government and considered just another political party. As the system works today, the PRI receives an unfair advantage in both spending capability and control of the media. Finally, opposition victories at all levels would have to be recognized and accepted. This would include governorships and even the presidency. The Mexican presidential elections of 1988 signalled the beginning of some type of change in the current system. This change quite possibly could be a democratic opening. There are already signs the conditions listed above are starting to appear (Smith, 1988).

Before 1988, candidate selection was wrapped in secrecy. At best there was an announcement, always informally, of a list of possible candidates. All of these "possibilities" held cabinet posts and represented mainstream regime thinking. After possibly consulting with some political leaders, the outgoing president picked a successor who was rubberstamped by the PRI. The campaign and election of the candidate were but a formality. In 1988, the candidates were known almost two years before the election. Each candidate represented different themes, i.e., Salinas (Economics), Manuel Bartlett Diaz (Law), Alfredo del Mazo Gonzalez (Labor), and Garcia Ramirez (Moral renovation). These precandidatos were formally introduced by Jorge de la Vega Dominguez, the president of the PRI, in August of 1987. The campaigns are no longer just a formality; they are a legitimating tool for the candidate and the

political process. The issues discussed during these campaigns are now more far reaching and profound.

The recognition of opposition victories has already been discussed at length in this paper. Although these victories have been only at the municipal and mayoral level, it is a start. During the term of de la Madrid, the recognition of governors from a party other than the PRI was up for discussion a number of times. Hardliners, those who believe the PRI must win everything, every time, prevailed. Yet with the election of Salinas, another técnico, the subject is sure to surface again. Salinas, like de la Madrid, would be more likely to accept a few gubernatorial races won by the PAN or the National Democratic Front.

It is hard to imagine the PRI ever becoming separate from the Mexican regime. However there are signs that this mouthpiece of the state has had to revitalize itself and show itself to be the voice of the revolutionary ideals inscribed in the 1917 constitution. The replacement of Jesus Silva-Herzog with de la Vega was seen as a step to strengthen the PRI (Smith, 1988).

Of the four possibilities presented in this thesis, a democratic opening and move toward a substantive democracy seems most likely to occur over the next 20 years. This does not mean a dramatic lurch toward liberalization. It does not mean the PAN or National Democratic Front will place their candidate at the head of government in Mexico City. It does not mean a party other than the PRI will gain a majority in the Senate or Chamber of Deputies. Yet it does indicate change.

First, elections will increasingly become fraud free as national and international attention is drawn toward the changing Mexican situation. This change will bring with it more opposition victories at the municipal and mayoral level. Also probable are gubernatorial victories by the PAN or National Democratic Front, especially in the northern states. Secondly, the press will gradually become less a tool of the regime and more a source of mass information. The opposition will gain more access to the public through the press and other communications media and thereby become national movements instead of regional parties. This should increase voter turnout and reduce the abstention rate. Finally, there will be more national organizations formed outside of the corporatist sectors of the PRI. As when a monopoly is forced to allow competitors into the market, this will have the effect of making the PRI improve its "product" to attract "buyers." The opening in Mexico has begun. It will be slow, but it will not be stopped.

V. CONCLUSION

The first stage of change in the Mexican corporatist system has been initiated and second stage signs are evident. It will be an extremely slow process, much more so than the 15-20 year time frames experienced in countries such as the Philippines or Iran. The U.S. should play a supportive role in this process: not one of unilateral intervention but of bilateral participation.

A. U.S. PARTICIPATION

The United States will lend support to the Mexican administration in the Salinas sexenio not initially to foment democracy but to prop up a sagging neighbor. The national interest of the United States is in a stable Mexico, not a democratic one. Any actions by Washington to support a changing Mexico should be made with this in mind. The new Bush administration will take some steps to help stabilize our southern neighbor primarily to prevent a collapse in the economy. It appears the interaction will be more cordial than during the Reagan administration. Bush has made Mexico one of his top priorities and said that relations between the two countries are "as important as our relations with the Soviet Union." (Branigin, U.S. Mexican Presidents-Elect, 1988) Salinas aides feel future meetings between the two men will be more cordial than between de la Madrid and Reagan and add privately that "Bush likes Mexico and knows the country and its culture and its problems." (Herzfelder, 1988, 0119) Although an unstable Mexico with worsening economic and

social situations made the democratic opening possible, a stabilization aided by the U.S. will not shut the door.

The patronage system of Mexico, as documented in this thesis, is based upon oil and has been since its discovery in 1976. If the price of oil continues to drop, the ability to finance the apportionment of rewards lessens. President de la Madrid's term has been dubbed "the sexenio of zeros" because of a lack of success in breathing life back into a sagging economy. He did however accomplish two things important to a discussion of the oil-based patronage system: the diversification of exports and the selling of government-owned businesses to the private sector.

During his sexenio, de la Madrid gradually tore down 40 years worth of protectionism initially started during the boom periods supported by ISI. He forced businesses, government and private alike, to become more competitive in the international marketplace. Through the first six months of 1988, manufacturing exports were up 20 percent over 1987. More importantly, through August, 1988, non-oil exports were \$9.4 billion, more than double that of oil exports (Anderson, 1988, 0746). These types of figures show a lessening of the dependence on other countries' foreign policy for Mexico's well being. Additionally, they will kill an already sick patronage system based on oil for financing.

Besides diversifying exports, de la Madrid is trying to sell off many of the government-owned state agencies in an effort to reduce the internal debt. Through over-inflated payrolls and price subsidies, the regime now supports unprofitable enterprises in an effort to create jobs. This selling of businesses to the private sector will have a least

two positive effects. One, the businesses will have to become profitable or die. This means competing on the international market with higher quality products. Two, with business in private hands, it will be harder for the regime to finance any type of patronage system. In the oil-based rewards system, Petroleos Mexicanos, or PEMEX, the state-owned oil company, was the only enterprise the government needed to control to ensure its finances. In an economy expanding and diversifying its exports, as well as turning industry over to private concerns, government financing from company profits will be more difficult to obtain.

Mexico's economy is not based on the same tenets as before the collapse and the incurring of an unmanageable foreign debt. Oil is no longer king. A restabilization of the economy will not reverse the process started by the collapse. It will instead encourage the democratic opening and provide a stable foundation from which to build. To help build this foundation, the U.S. must become more involved in Mexican affairs to attack the problems of the foreign debt, migration, and drug trafficking.

1. The Foreign Debt

The U.S. must forgive part of Mexico's foreign debt. Simply lending additional monies as bridging loans will not help Mexico out of its crisis. The \$3.5 billion recently lent to Mexico by the U.S. helps in the short term but does not address the fact that this third world country sends more money out of the country than it brings in. Money needed badly for development is instead used to pay interest on the debt. Mexico's loan paper currently sells on the international market for approximately 55-60 cents on the dollar. U.S. banks should gradually

write off 45 percent of Mexico's debt and then be more prudent in making new loans. After the debt forgiveness, the recommendations of the Baker Plan, specifically the requirement to pay all the interest on its foreign liabilities, could be realistically implemented by Mexico without crippling its development.

Critics say U.S. banks cannot afford to write off loans at that amount. The fact is that many of the largest U.S. banks have already set aside reserves to cover up to 25 percent of the Mexican debt yet continue to try and collect the full amount. Writing off 45 percent has already been partially accomplished.

Critics say writing off that much of the debt will be destabilizing to the United States. The fact is Mexico does not have now, and will not have in the future, the capability to pay off its \$100+ billion foreign debt. It will be more destabilizing if Mexico defaults completely on loan payments. It will be more destabilizing if Mexican workers revolt after losing another 50 percent of their buying power. It will be more destabilizing if our third largest trading partner can no longer buy American goods.

Critics say Mexico got itself into trouble by taking borrowed money after squandering oil revenues in the late 1970's and now must "pay the piper." While it is true Mexico misused its export money, the fact is it takes two to make a bad loan, a borrower and a lender. During the last decade, U.S. banks made many loans with excess petrodollars, many perhaps unadvisedly; so too did other foreign banks, especially West Germany, Japan, and Switzerland. Why should the onus be entirely on Mexico?

2. Migration

Mexico generates 350,000-400,000 jobs annually in a country where half of the population of 84 million people is under the age of 16. Each year 800,000 to 1 million jobs are needed just to maintain the current unemployment rate. Immigration to the United States has always been a safety valve for the discontented. Critics cite lost jobs and overburdened social services. The fact is Mexican workers take jobs American workers do not want. The fact is cheap Mexican labor often allows industries and plants including textiles and shoes to remain viable and competitive in the international marketplace. If these industries were forced to pay higher wages to U.S. workers, many would close and many more jobs would be lost overseas. The U.S. needs to improve its retraining programs for workers displaced by immigrants so that higher skilled jobs can be found. The U.S. should allow more immigration but better document the flow and better plan needed social services.

This problem is closely tied to that of the foreign debt. Because debt servicing is so taxing on the country, needed development cannot take place and therefore needed jobs cannot be created. Because needed jobs cannot be developed, workers migrate to El Norte, the United States. As the United States helps Mexico recover economically, less workers will migrate, and therefore the immigration problem for the U.S. should lessen. Critics say that solving Mexico's problems will not significantly decrease the immigration flow from Latin America. The fact is fully 75 percent of illegal immigration to the United States is from Mexico.

3. Drug Trafficking

The U.S. should continue to pressure Mexico to work on the drug problem while stepping up its own efforts. These efforts would include massive drug education programs at the elementary school level, stepped up efforts of local and state police forces subsidized by federal monies, and establishment of a national anti-drug czar to coordinate the program across the country. Critics say these type of programs would cost money the U.S. does not have to spend. The fact is lost productivity, sick days, medical care, and higher insurance premiums cost much more. Critics say the problem would go away if Mexico stopped shipping drugs into the country. The fact is drugs come to the U.S. from all over the world. Mexico is but one of the suppliers. If the demand decreases, the supply of drugs should decrease accordingly. Countries produce what is most in demand. This is not to say efforts should be made only on the demand side, but the effort from the U.S. side should certainly be strengthened.

B. FINAL THOUGHTS

The United States, in helping to stabilize Mexico, will see growth in a grassroots movement toward substantive democracy. This thesis explores Mexico over the next 20 years but it would also be interesting to do some long range "crystal-balling" and explore how far this grassroots movement will take the country over the next 50 to 100 years. It is the author's opinion that Mexico will never be a democracy like the United States. There will most probably be some form of authoritarian rule at the national level with democratic principles evident at the lower levels of

power. It should however be quickly added that Mexico does not have to duplicate the United States politically to be successful socially, economically, or in the political arena. Mexico will continue to evolve and grow over the next century, as will every country. This evolution should be measured in Latin American terms and not by European, Asian, or U.S. standards. With the possible exception of Brazil, Mexico shows more promise for prosperity and growth, within a Latin American context, than any other country in that region of the world.

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